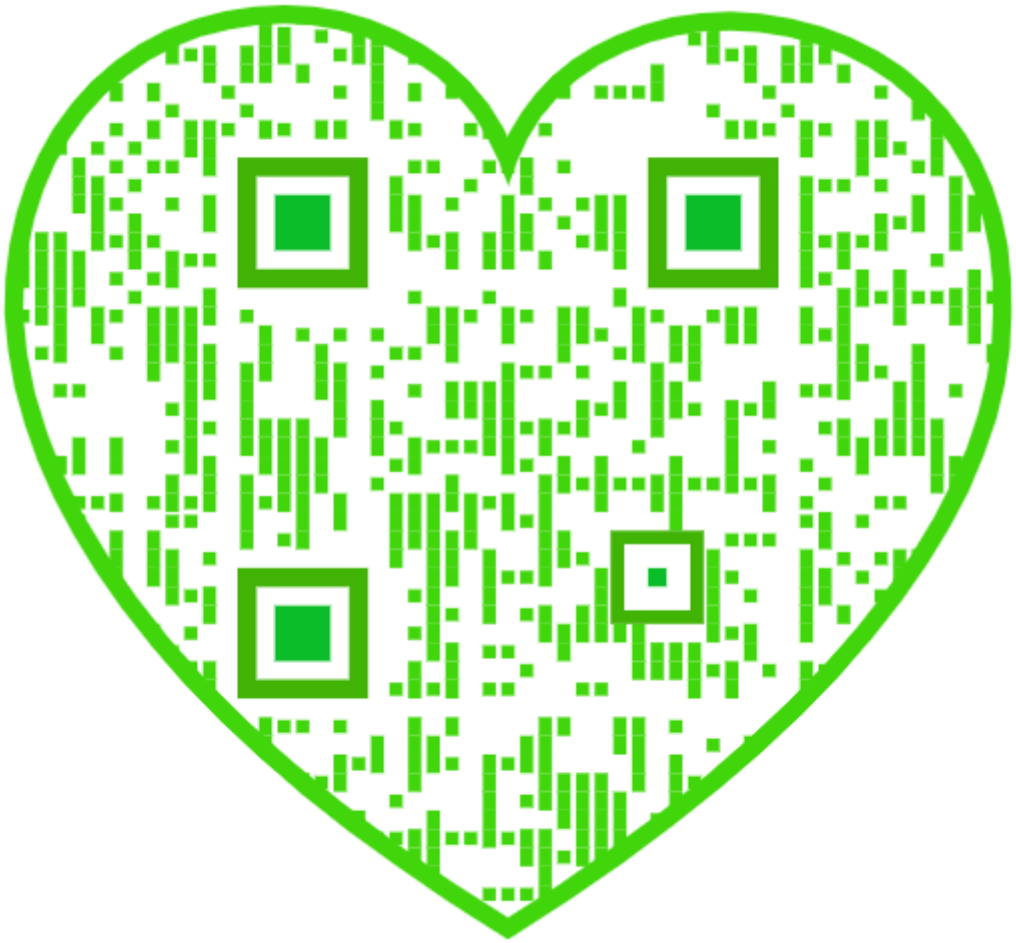

A CONSIDERATION

OF THE

WEALTH AND POVERTY

OF

NATIONS

EMBRACING ALSO THE

EVOLUTION OF INDUSTRY

AND ITS

OUTCOME.

By W. N. GRISWOLD, A. M., M. D.

If we can first know where we are and whither we are tending, we can better judge what to do and how to do it.—ABRAHAM LINCOLN.

SAN FRANCISCO,
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ERRATA.

Page 1, line 27—Read *harmony* for *law*.
" 12, " 24— " *characterizing* for *describing*.
" 20—Place *, now at line 10, at line 20.
" 54, lines 23 and 24—Read *rights* for *duties*.
" 54, " 26 and 27— " *wealth and power* for *industrial rights*.
" 54, " 29 and 34— " *equity* for *duty*.
" 54, line 32—Read *current* for *correct*.
" 59, " 11— " *should be* for *is*.
" 80—Eliminate the last *seven lines*.
" 105, line 28—Read *productively* for *industrially*.
" 105, " 32— " *production* for *industry*.
" 105, " 38—Eliminate sentence commencing *The most noted writers*.
" 106, " 9—Read *motive* for *effort*.
" 112, " 6— " *Lincoln* for *Seward*.
" 112, " 8— " *and Seward proclaimed*.
" 139, " 27—Eliminate *will*.
" 140, " 1—Read *may* for *must*.
" 142, " 42— " *employés* for *employers*.
" 144, " 42— " *national* for *natural*.
" 158, " 25— " *producers* for *consumers*.
" 158, " 30— " *exchequers* for *exchanges*.
" 167, " last— " *public* for *private*.
" 168, " 5— " *national* for *natural*.
" 168, " 27— " *service of the citizen*.
" 174, " 22—Eliminate *at once*.
" 174, " 28—Read *of production* for *upon*.
" 184, " 40— " *as* for *when*.
" 205, " 14— " *those* for *that*.
" 205, " 30— " *concentrate* for *centre*.
" 207, " 29— " *the industry concerned*.
" 214, " 4— " *limit the demands of capitalists*.
" 222, " 11— " *talk* for *prate*.
" 222, " 1 (of note)—Read *prate* for *talk*.
" 223, " 44—Read *the necessary productive forces*.
" 225, " 5— " *The reader knows*.
" 226, " 26—Eliminate *in*.

PREFACE.

This work is presented to the public with unfeigned diffidence; not that the thought which it undertakes to portray is not substantially important and true; but that its elaboration, at some points and in some regards, fails of that force and clearness, which, as concerning subjects of the nature considered, is especially desirable. However, as the public possesses an available weapon of defense—the boycott—and as it rarely happens that any work leaves the hands of its author wherein some imperfections do not appear, as it is, whether for better or worse, it is hoped it may be permitted to pass.

A few explanations are due the reader. The work was commenced several months since, as a study *de novo* of the industrial status; it has been written at convenient times between the call of other duties, and printed at once, form after form, as the manuscript was prepared. The first intention of the author, after having stated the fundamental principles advanced in the first four or five chapters, was to review, in full, those topics commonly treated of in current works of economic science. The chapters on Land, Capital, Labor, Wealth, Exchange, &c., were sketched and partly written, when for sundry reasons, of a private nature principally, the first plan was abandoned, and that actually followed, substituted. The reader will therefore find in the first half-dozen chapters, references to other chapters for confirmatory sentiments and demonstrations, which, in fact, do not appear and cannot be found. It is believed, however, the change in the plan, at a later date, has not materially broken that consistent harmony which should characterize such efforts.

Furthermore, knowing the general dissatisfaction with the current thought of economic science, the author has endeavored carefully to sift and consider its teachings; to retain its truths and reject its errors. His investigations have satisfied him that the one term, *value*, which to economics is as fundamental, as to mathematics is the term, *number*, has been used in too narrow a sense; that other values, of greater importance to man than those produced by human labor—human labor values being the only values recognized by scientific writers—exist, and are perpetually found at the point of exchange in connection with those produced by human labor; values which are the result of the active and passive forces operating in nature's laboratories and workshops, on the mineral monad, the vegetable seed and the animal ovum.

He has furthermore found at the point of exchange, in all commodities, certain values which are enforced by common consent and custom which, in fact, and in themselves, being based upon no labor whatever, are absolutely valueless. To the former, the term *natural*,

to the latter the term *fictitious* has been applied. Instead of value as adopted by current economic science, the author proposes value *natural*, value *artifical* and value *ficticious*—all of which are found in every commodity at the point of exchange—the first produced by creative labor, the second by human labor and the third—rent, profit and interest—put forth and sustained, contrary to the true genesis of value, by society. These values, though unrecognized by current science, all meet in commodity and are cognizable at the point of exchange; and through their recognition, the economic accountant, who now recognizes but one, would be able to do that which he cannot now do; viz., balance the books and show clearly—proximate equality of individuals being recognized—why some men become rich and others remain poor. If one person goes to the exchange carrying his portion of the natural, artificial and fictitious values, and another goes there carrying his portion of the artificial values alone—values produced by his own labor—the former will become rich and the latter remain poor. The industrial rights of man are associated with the natural values, and the industrial wrongs are concealed in the fictitious values. The term value needs a new definition or unfoldment, and whether that here proposed is correct or not, must be left for further determination. In this work, however, it is used in the sense, or senses here indicated.

With these brief explanations, the author leaves the work to the patience and indulgence of the reader; adding the hope, however, should the latter tread the mazes of the various analyses, discussions and demonstrations, he may be repaid by a fuller assurance, that humanity is moving forward through effort and conflict, by lines of advance already open, to better conditions and more satisfactory realizations.

The timid conservative need not be disturbed by the radical demands made—Chapters IV and V—in the interest of a common humanity, nor need the daring radical be irritated by the tardy processes through which—Chapters VII and VIII—the industrial rights of man are likely to be reached. What the former most covets is freedom from abrupt and overstraining advances; what the latter ardently cherishes, is the establishment of all men in the enjoyment of their rights. The orderly evolution of industry, with its steady movement through complex processes, incited by the lower and upper forces, will ultimately harmonize capitalist with laborer, producer with consumer, protectionist with free trader, and assure to both conservative and radical, the hearts chief desire; for in the thought of each now contending factor, there is somewhat of the Universal Thought, and it is destined to penetrate and permeate humanity and become there unified as it is already unified in its own pure and exalted realm.

W. N. G.

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WEALTH

AND

POVERTY OF NATIONS

LAW.

So closely is law related to human development, to the advance of civilization, to the harmonious action of forces and factors of industrial life, and to the study of economic principles, that it becomes necessary to consider its nature, allude to its abuses, and sanction its uses.

Law, both written and unwritten, human and divine, arises from the nature of God, of man and the material universe about him. It encourages capacity, and checks power. It outlines, expresses and defines, in intelligible terms, the channels through which force operates and matter is moved. Its power is exercised in limiting them to those channels. Human laws are invented and enacted; natural laws, discovered.

Forces, human and divine, are pent up within nature, persons, nations and civilizations.

They are something apart and distinct from law. Law is the iron and steel of the engine; force, the steam which drives. The latter is limited and restrained by the former. Natural forces operate through natural laws, social forces through social laws, civil forces through civil laws, and industrial forces through industrial laws. Civil law is a development which parallels human progress, and is subject to continued perturbations—advancements and recessions—to changes adapted to growing views and expanding interests. On the other hand, divine laws, as discovered, are constant in their operation. So far as development is progressing, where divine law operates, only so far can inconstancy be affirmed. Such progress is going on in the last of the series of creation—in man. Hence the seeming absence of law in the relations between God and man. The real divergence is but temporary. Harmony will be achieved.

It is the boast of law-givers and law-makers that human law, common and constitutional, is derived from the moral and divine law,

and it has doubtless been the intent of the most noted to bring the former into juxtaposition with the latter.

It may be safely asserted, however widely human and divine law may, at marked and critical periods of national life, have diverged, the one from the other, that human law, written, constitutional and civil law, expressed for, and at the times during which it has been in operation, constitutes the best conception of what then was believed by the ruling elements of organization, to be, concerning the interests involved, the divine law.

With great persistency, in spite of the groveling forces of selfishness, men have pinned their faith strongly upon laws originating, not in terrestrial, but in celestial forces.

Written law marks everywhere the line of battle where, contending forces, struggling for freedom and slavery, for right and wrong, have done their bravest work; where constitutional liberty has broken the power of autocratic despotism, and where, in turn, despotism has overthrown the work of liberty.

Along these lines of contention written law has been the peaceful conservator of results gained by the respective victors; and as these results have gradually approximated the dictates of divine law, the oases of peace have increased in number and size, until, by slow progression, peace, freedom from physical violence, is now the rule, and not the exception.

Either an active poacher or a rightful sportsman can accomplish more, if a game-keeper attend him, to carry the acquirements of his sport.

Law is, in a sense, the game-keeper of the victor. It performs the duties of that office either for the friends or the foes of liberty and humanity.

If tyranny has gained a temporary victory, law assists to conserve the result; if freedom has triumphed, it is equally preservative in the better interest. It is as much to the interest of the vanquished, as to the victor, that law should be regarded and obeyed.

But it is impossible until harmony between human and divine law is secured, until contention has given place to peace, injustice to justice, that written law shall be universally respected.

Measured by the views of opponents, no law has existed which was not justly obnoxious to some. The Missouri Compromise and the Fugitive Slave Law were rightly contemptible in the sight of intelligent and principled opponents of negro slavery. At the time, these opponents were denounced as extremists, and insane. Principle then sustained them; and time and events have vindicated their sanity and insight.

John Brown's rashness and fate, caused men to think, whose minds nothing less than tragedy could arouse from inaction. In the

future other sacrifices may be demanded, and other heroes crowned.

Yet in a land of constitutional freedom, where the law provides modes for its own amendment and repeal, violence is unnecessary.

If it be true that wrong and injustice is entrenched in law; that the griefs and miseries of mankind are engendered through forces sheltered by its provisions—men must learn to reach the forces without burning the entrenchments; to drop the bombs of reason and sympathy upon, and capture the garrison without destroying accoutrements, ammunition and provisions; and ultimately, to transmute by argument and kindness, captives into friends.

They should remember, victory won, that the legal entrenchments captured will shelter the victors, the accoutrements and ammunition stengthen their defenses, the provisions sustain their energies, and that through reason alone can the victory be made permanent.

They may go farther and be assured that it is not men who stand opposed to men, but principles *within men* which contend against principles, the wrong against the right, the evil against the good; that principles are not weakened by physical violence, but, invoking through self-love, physical power in their defense, take deeper root and stronger growth.

Unjust and inhuman laws may be most effectually over-turned, not by a direct attack on the law, but by a flank movement on evil principles which call it into existence and give it support.

A principle exists in divine law, the law to whose beneficence and justice the most recalcitrant instinctively bow, which is constantly calling, as deep calls unto deep, for the surrender of vicious principles; calling insurgents to their sometime allegiance,, touching them through physical interests, working upon their social natures, their instincts of humanity, their apprehensions and their fears, and invisibly leading up to culmination in their overthrow, their abandonment of unjust and evil endeavors, and coalescence of human with divine laws.

It is to this invisible working that every man should join himself.

The uplifting of principles moves thrones, shakes dynasties, and overthrows vicious systems.

If, as alleged, law embodies the evils and supports the vices, which threaten the industrial world with stagnation and civilization with decay, attack not law, but transform the forces which give it deadly design, to principles which give beneficent life.

But, principles modified and transformed, the work is not yet done. Action must follow enlightened judgement. Law arising in principles must be embodied in statutes.

Political machinery must be set in motion, parties formed or constrained, legislatures elected, courts remodeled, and executives in harmony with changing conditions, placed in power.

Law, as a growth has kept even pace with the growth of society. Until recent periods the law-giving faculties of single men, with few exceptions, held society together.

Constitutional concessions marked a point of departure from the one man règime.

Oligarchic law came into operation, however, under the mastery of kings and emperors. The law-making power even by them was diffused.

Within a century, kings and emperors are considered an unnecessary luxury and expense. The doctrine of representation arising from the concession of kings has taken hold of leading nations. Republicanism has come to the front, and with it, the right to make and change constitutions and laws has been asserted by, and conceded to all men.

The right being established, its excution is a matter of organized choice. Practically, as yet, the extension of the suffrage on the well being of nations has effected but little change. An industrial oligarchy has distrained the purposes, diverted the operations of political equality and perverted the power inherent with every man to participate in legislation.

This oligarchy yet rules. Vicious, industrial principles overslaugh the power of just political principles. To point out some of those vices is the work of succeeding chapters.

CAPACITY AND POWER.

Capacity and power of persons and organizations affecting greatly the production and consumption of wealth, require a brief consideration.

First; man existing as a created being possesses an essential property of receptivity; second, an equally essential faculty of dispersion.

Receptivity transforms to capacity; dispersion metamorphoses to power.

Capacity and power on different planes have a common organ. On the intellectual plane it is the brain; on the physical plane, the stomach.

The brain and the stomach have each an auricular and a ventricular side.

The auricular involves capacity; the ventricular embraces power.

The capacity and power of every man play intellectually through the brain; physically, through the stomach.

The latter macerates and digests on the physical; the former, on the intellectual plane.

Like an animated watering pot, what man takes in through his capacity he puts out through his power.

In a state of rest and tranquillity, capacity is unfolded; in a state of activity, power is developed.

In a condition of receptivity, the boy at school learns his lessons; and in the state of dispersion he recites them.

In exercise of capacity the editor opens his mind to incoming truth; in the exercise of power, he arranges, composes and writes.

Through the operation of capacity the lawyer acquires his facts and principles and arranges his brief; through the operation of power he bombards the judge and fires the jury.

During rest the capacity of the man of muscle is renewed; during activity, his power is evolved.

Hours of receptivity are equally important to the personal and general weal, with hours of dispersion.

Rest is equally necessary with labor. An over-rested man is rightly unhappy, equally, with an over-worked man.

In a well-ordered life and a full-grown person, capacity is developed proportionately with power.

Capacity waits with patience and longs with aspiration, unutterable, for the incoming; power effervesces with the eagerness of outgoing.

Capacity fully exercised augments the compass of power; and power, brought to robust action, increases the dimensions of capacity: each alternating the other, the essence called man opens and grows, and the composite entity called society expands, and becomes perfect.

Equality of capacity and power embodied in persons is an important factor with the production and accumulation of wealth and the avoidance of poverty.

There is no standard of measurement. It is assumed that the capacity and power of one man is equal to the capacity and power of another. It is true, but approximately.

It is nevertheless true, that a close relation exists between the capacity and powers and wants of individuals, and other things being equal that each person in health, of age neither infantile nor senile, is endowed with capacity and power equal to the supply of his own wants.

How closely the power of one person equals the power of another, is more fully discussed in the chapter on Rights.

WANTS.

To lay the foundation of a rational system of economic science, it is necessary to consider briefly, but radically, the nature of man, the nature and condition of society, the character of an invisible creative power, their relations to each other and to the universe of matter organized and unorganized.

We must, if possible, arrive at the origin of person and things, and the purpose of their existence. As the endlessness and infinity of time, place, and circumstance, furnish no positive conception of origin, it is necessary to assume a premise regarding it, not previously established. If the assumption be true, facts and inferences will settle around it in harmony. Its truth may then be considered as settled. If facts and conditions fail to harmonize, the premise must be abandoned or modified. Other premises must be successively selected, until one be found which harmonizes with facts. This, in brief, is the ordinary method of scientific growth.

Different classes of thinkers, on these topics, commence from different premises; all bringing up at the end of an infinite series, with an acknowledgement of finite capacity and consequent ignorance.

But the most common assumption, and that which most fully and satisfactorily explains the phenomena, is that the Universe is the created result of a single creative personality.

That premise will be assumed. It is the general sense of mankind that nature, from its most simple to its most complex forms, from the rock through the tree to the most perfect man, is not self existent; but with its manifold varieties of form, color, size and consistence, and its different degrees of organization, was brought into being by a self-existent creative agency, and its perpetuity has been assured through provisions of the same agency.

This idea, in modified form, has prevailed in all lands and from earliest times. Under the varied appellations of Ormuzd, Allah, Jehovah and other names less known, similar characteristics and powers have been ascribed to this invisible being.

It has been urged that every man creates his own God; hence, no God exists. If every man should accurately describe the earth as it appears to him, the descriptions would vary infinitely. How false would be the inference that there is no earth!

The nature of this being has probably been always as now; but He has been described in different places, at different periods and by different persons, in lights often obscured by ignorance and superstí-

tion, not as He then and there was, but as He then and there was *seen* to be through distorted vision.

By those suffering the necessary consequences of their own errors, He has seemed full of hatred and vindictiveness; by those in whom personally developed evil had not dimmed the clearness of highest insight, He has been described, in all ages, as the infinite personification of infinite love and wisdom.

It is further alleged on internal evidences generally accepted, that man, the highest type of being, was made in the image of the Creator; that the characteristics of the one, finite as to scope and power, are similar to those of the other; that the finite love, wisdom and activity in one is infinitely duplicated in the other, and that the trinity of end, cause and effect observable in men, is infinitely consummated in the Creator.

These similarities admitted, marked dissimilarities present themselves. On the one hand the Creator is infinite, self-existent and independent; on the other hand, man is finite, created and dependent, relying upon the former for sources of existence and activity. The one is the origin of infinite commodity, the other an active receptacle of all wealth. The former is an illimitable and independent giver, the latter a persistent and unavoidable receiver.

This invisible, omniscient and omnipotent Being, in avoidance of universal stagnation within the recesses and limits of his own existence, in furtherance of an infinite system of output from himself and income to himself, in perpetuity of his own love, wisdom and utility, in supply of his own wants and maintenance of his own happiness, created the earth with its values, its wealth and its inhabitants.

The Creator and man are both organized *wants;* the infinite and first want of the former is to *give*; to get rid of His superabundant and overflowing vitalities and wealth: the perpetual and paramount want of the latter is to *get*; to absorb the forms of wealth which lie in and about him.

But neither can be satisfied with a status; to realize perpetual and universal happiness, return currents must flow. What goes out, in gift from the Creator, must find channels of return; what comes in as receipts to men, must find channels of outgo; else, in either case, stagnation, disease and desolation.

In normal condition the universe is a vast congeries of unobstructed circulations: system upon system, and system within system, all finding origin and source in the Infinite heart; thence, issuing by arterial and capillary outflow, on elevated planes through spiritual substances and realms, on lower levels through meshes and arenas of the material world, making liquid music into and through the psychic and physical hearts of millions; whence, having deposited benefits and nutriments and gathered the raw material of new riches,

returning by winding ways and through invisible and multitudinous channels to points of departure, these circulations complete their perpetual courses.

The human race is under the continued influence of these two currents, originating in the same Source: First, the direct current, touching by invisible lines, the inner and spiritual nature of man; second, the indirect current falling primarily upon bed rock of material existence, and flowing upwardly through the different gradations and advancements of unorganized and organized development.

The individual soul, which is the real, the central man, thus leads a two-fold life. It is fed through the intuitions from the inner world whose mysteries are but partially fathomed, through the external senses and avenues from the outer world. It draws, by its fermenting energies and its inter-constructive vitalities, upon the luxuriant growth of wealth unseen, and upon streams of comfort and luxury, concentrated from the cultivated fields of physical nature. It is an autocratic beggar issuing its demands on the resources of two worlds—demands which, though perpetually repeated, are never denied. To demand and receive, are indispensable conditions of its life.

It is between the counter-influences of these diverse realms where an equilibrium is possible, that man's choices are opened, power acquired and character developed. Want and choice are indissolubly bound together, the stronger want determining choice.

It is here in this possible equilibrium, that normal *want* deploys its forces in an open, if not a free, field.

The life of man is love, and want is its most common and comprehensive expression.

Whether we interrogate the Creator, society, or the individual, the response comes from every quarter, that normal want is the primitive and supreme inciter to beneficent activity; that all effort goes out therefrom to supply. Among men, and through society, it acts like a vacuum which nature rushes to fill. It is an ever forceful affinity which draws atoms, planets, and systems around controlling points, and determines them to a common centre.

Life without want, whether it be finite or infinite, is an inconceivable condition; it would not be life; it would be absolute and universal stagnation; it would nullify all incentive to action. Even creative activity is prompted by infinite want.

Nevertheless, want, in abnormal intensities, supported by unlimited power, has been and is now the cause of all the evils which effect persons and nations. In a sense all wants are normal—normal to the persons or organizations, which they inspire—normal in the production of good or in the production of evil.

In another sense, all wants, culminating in evil, are abnormal.

Evil is but inverted good—good intensified out of its natural channels and distorted from its purest forms.

Though want has incited the world to activity, want operating *in extremis* through freedom and power has filled it with need, cruelty and bloodshed. When supply should be universal to all men, a small class stands with frenzied greed over against a large class with anguished need; both affected by want operating in extremes; the former assisted by, the latter deprived of, power, opportunties and facilities.

The beneficence or malevolence of want turns upon the question, if it be *suppliable* or *non-suppliable;* if suppliable, how far the effort required to secure supply is productive of satisfaction or suffering: if unsuppliable, the degree of benefit, or anguish caused by abstinence. It is not want which should terrify the world; it is the insatiate greed into which it becomes perverted and the anguished need which results therefrom; anguish embodied in prostrating effort and demoralizing abstinence.

Want is an established entity, the origin of all civilization, and inseparable from human life; but it was intended as a promoter of general happiness rather than misery.

Supply, satisfaction, enjoyment, could never be, if men being men, were severed from want—were made absolutely independent. It is dependence and receptivity which makes happiness possible.

A universe of wealth would be useless under other conditions. But, that want should culminate in plenty and comfort, supply, through effort must be available. Supply exists everywhere in proportionate abundance. Provision is perennial and infinite. Giving does not impoverish, nor withholding, enrich. Non-suppliability is the only hinderance. Nothing but the obstructions of individuals and classes has prevented and still prevents an equitable access to supply. Such obstructions must ultimately yield to the ponderous current of progress.

Showing, made thus far in this inquiry, points to three parties who are involved in the discussion of want; the Creator, society and the individual.

Though the wants of the Creator, as men develop toward the standard of the Godlike, will become increasingly respected, economic science is principally and most directly concerned with the wants of society and of man.

Inquiry further shows that want must be considered from the two-fold standpoint of man's spiritual and material nature.

Economic want, or demand, as it is usually named, includes: First, *spiritual wants;* second, *material wants;* third, *mixed, or semi-spirituo-material wants.*

It is eminently and universally true, and becomes more marked as

men and society become older, wiser and better, that men do not live by bread alone; that the highest and purest culture demands increasingly more expenditure of effort for satisfaction of spiritual than of material wants.

Intellectual, æsthetic, social, moral and religious wants, personal and collective, those which arise in spiritual springs, are rapidly increasing; and that, too, out of proportion with the contemporaneous increase of material wants.

Strictly speaking, wants *purely* material, or purely spiritual, are few.

Purely material wants of man center in but two ends: First, building and repairing the body; second, sustaining its heat. To these ends, food, clothing, shelter and fuel are needed. Supply of these wants requires substances and textures, few and primitive.

Purely spiritual wants center in the creation and maintenance of thoughts and affection pertaining to spiritual life. In the golden age of man, these wants, it is alleged, were supplied as if by spontaneity.

But when material wants reach up for spiritual embellishment and refinement, and spiritual wants reach down for material comfort and envelopment, then comes the tug of effort in supply. Then, are the sources of wealth and the powers of production taxed to their utmost capabilities.

The plainest woolens of the commonest colors and textures, serve to retain animal heat, and answer the full purpose of clothing. They may be cut and sewed by little labor. Nevertheless, there is no art, no beauty of color, form of finish, no ornamentations, no regard to the æsthetic element of soul, to the inborn longing for beauty and grace of structure. If person and society are satisfied with the supply of the mere physical want, effort is confined to narrow limits. But let the spiritual want for grace and beauty of texture, form and color, assert itself, and the whole work changes. Labor then comes into ten-fold demand.

It is possible for men to worship God in the open air, under the canopy of heaven, rain, wind, cold and heat affecting; thus supplying wants purely spiritual. But the necessity of preserving animal heat during worship, involves material wants. Shelter is requisite. Resort to caves and forest, will not answer. Structures, wooden, stone, and iron, must be erected to beat back the storm, and preserve the heat of an enclosed atmosphere—heat arising from the assemblage and artificial combustion.

These structures embody a purely spiritual want, the desire to worship; hence, spiritual wants engender physical effort. But, carrying convenience, comfort, beauty, art and luxury—semi-spiritual wants—into these structures, originating in a purely spiritual want, and

effort is called out from every possible source. Thus, churches, cathedrals and temples demanding effort in multifarious forms, assuring repose, comfort and elegance, arise in beauty and grandeur, embodying the purely spiritual desire of worship.

The closer the nature of want is inspected, the wider seems the scope of spiritual wants, and the narrower the scope of real material wants.

And why not? Pure want is an emanation, an output from the soul. What are termed material wants, are really spiritual wants extended into the material basis. It is the soul which wants bread, clothing and shelter for its body; the final want being the growth and perfection of that *very soul* for infinite life in its native realm.

The love of music, and desire for its embodiment in melody and harmony, who can conceive the altitudes of its upreaching into spiritual spheres?

True, we get it through reed and pipe and string and bird and stream; it comes to us on the material level in manifold forms—but the want, though fed through fibrous, wooden and metallic combinations, is a spiritual want of the most intricate and refined nature.

It is only a concession to current thought, that want can be divided into *material* and spiritual wants. Man being a spirit embodied, his wants are all spiritual; but turning to two worlds, the material and spiritual, for supply, the character of the supply is naturally, but loosely, applied as describing the want.

Wants are all of the soul—spiritual—supplies, both from the native regions of the soul—spiritual—and from its foreign and material surroundings. Having gone out like an army into a foreign country, it maintains a line of supply with spiritual commodity and home, and at the same time forages upon the country which it has invaded.

With the understanding then that in the division of wants into *spiritual* and *material*, the distinction relates to the source of supply, and not to the nature of the want, we proceed:

In the matter of adornment alone—in linens and silks, in satins and velvet, in wraps and head-dresses for persons, and in the adornments of table, furniture, equipage, homes, theatres, cathedrals, temples or palaces, indeed, respecting everything connected with modern civilized life, the spiritual want of man is paramount.

And yet, it has long been an open question with economic writers if the wants supplied by the labors of the minister, teacher, lawyer, editor, journalist or author, were wants, in considering the productive forces and wealth of nations, worthy of attentive regard; and whether the labor which supplied those wants be classed as productive labor.

Considering differences of time and place, and of personal organization, the multitude of wants outgoing to supply, is inconceivable;

and yet, they are susceptible of further analysis and arrangement under a few subdivisions.

Material wants range principally under the head of light, fuel, food, clothing and shelter.

Spiritual wants, perhaps because not so easily designated, embrace a greater variety of subdivision.

With facility they fall under three heads :

First, Affectional wants ; second, Intellectual wants ; third, Mixed, or semi-intellectuo-affectional wants

The first comprises the selfish impulsions, passions and desires, the social affections and attachments, and the moral and religious elements of being; the second, embraces the perceptions, memory and reason ; the third, includes the aptitudes of art, of rhythm, construction, music, sculpture and painting.

Throughout this entire domain of affectionality and intellectuality, through the respective individuals of each of these classes, the magnetic sparks of want, in perpetual career, are flashing throughout the world, activity into effort.

Want, being the psychological origin of production, other distinctions may make its nature, scope and power more intelligible.

First, its rationality or folly ; second, its virtue or vice ; third, its justice or injustice ; fourth, its power, scope and growth.

The rationality or folly of a want, as well as its virtue or vice, bring want into prominence, as operating upon the particular individuals or society whom it stimulates to action.

Want, in itself, is a blind force, limited only by the reason and will of person or society. If not restrained through reason, it is capable of extremities which result in nothing but discomfort and distress to the person or society involved. Foolish and vicious wants operate most conspicuously through the appetites and the pleasures of sensation. Want, in search of satisfaction, intuitively limits itself at the verge of pain. Disturbed function in numberless instances comes long before disease is suspected or distress established. It is the province of observation and experience to note disturbances which precede disorganization and distress, fix the bounds toward which want may go with impunity, and place the parallels inside and outside of which satisfaction remains normal; and it is the function of rationality to warn, limit and restrain, through fear of punitive consequence, outgo of want beyond those limits. It is one thing to know, another to be wise ; and rationality is included in wisdom.

Unlimited and unrestrained wants of persons have developed folly and vice throughout the bounds of every civilized nation. Liberty and power combined, excess and immoderation have overrun reason, and dashing the cup of pleasure from the hand of the profligate, have meted out disease to persons and disaster to societies.

Self culture and harmony of character is established in the rationality and virtue, and personal and social overthrow, insured in the folly and vice, of want.

Justice or injustice of want, relates not to the results of want upon the person, or society affected thereby, but to other persons and to other societies, and rests on the relative capacity of different persons to use or consume.

The capacity of use or consumption merely approximates equality. The limits of the differences in capacity determine the limits of just and unjust want. Though injustice may and must operate disastrously on its devotees, its principle force is spent upon the innocent, unsuspecting and powerless.

An unjust want, if enforced, necessarily trenches upon values or commodities which right has assigned to others.

Its tendency is to deprive others, either of opportunities for satisfactory exertion, or of the results of enforced labor.

Operating through individuals, it tends to disturb concord of the entire society to which they belong, through communities to impair the harmony of the state or nation of which they are a part, through nations to derange the amities of the civilized world.

Men, wanting desirable commodity or property, rarely consider the question how their success, secured through current avenues of achievement, is likely to affect the wants of others. "Can we get it?" is the question usually asked and answered; and once answered, the struggle is undertaken with as little compunction as to results upon others, as the trial of strength between beasts.

The injustice lies not in determinations of the relative strength of contending parties, but in the *use* of that strength in depriving the weak of their natural rights. A want which prompts the use of superior power to wrest from the weak that which is his own, is an unjust and a dangerous want—dangerous to person and to society.

Few, at this stage of human development, will hesitate to denounce acts which fall under the term "aggression," but how many have thoughtfully considered the full import of the term "enterprise"? The latter is supposed to cover characteristics universally praiseworthy. The man of enterprise is the cynosure of industrial emulation. He is petted and praised without stint or limit. To common apprehension, enterprise is industrial virtue. And yet in this very term, concealed under the commendable characteristics of activity and industry, which it also embodies, is to be found that unjust and inconsiderate want, that insatiate greed, which has disturbed the equities and broken the harmonies of civilized life. Fully analyzed enterprise means, "Go in and take." It regards not the wants of others, present or future. It is the prevailing spirit of existing civilization.

The intensity and power of want, under the term demand, is recognized by ecomonic writers, as governing supply and affecting value. But it must not be confounded with the intensity and power of forces and appliances concerned in effecting supply. It is an error of current economic science to assume that the strength of want is attended by adequate power, opportunity and facility of supply.

It is also a current custom in business circles to speak of demand and supply, as if their relations were not interrupted by unfair and unjust obstructions.

Prof. Devons has made remarkable studies of the varying intensities of demand, illustrating its progressive decrease under easy supply, by geometrical diagrams and expressions ; studies, which, owing to unconsidered obstructions at present existing, depriving supply of facility, opportunity and power have little practical application.

When want, intense and powerful, stands *per-force* apart from supply, when the gulf of impossibility stretches its expanse between them, want becomes the source of incomparable sufferings. It is just at this point also where intense demand parts company with the requisite power of adequate and continued supply, that the "fear of want," puts in most effective work. The agony of blind and ineffective want outreaching to supply, is incomprehensible and indescribable.

It is to points between want and satisfaction, between demand and supply, that economic studies of the future are likely to be concentrated.

The scope of want is continually enlarging. Commodities, which, a quarter of a century since were scarcely known, have become things of daily use and universal necessity.

With new and increased commodities, new wants equally imperative with the simplest want of primitive times, have entered and permeated the secret sources of civilized life. It is not enough to say to laborers that they live better to-day than kings lived five centuries since. The question should be, How has the advancement of civilization, increase of commodity and wealth and the developement of man, affected the tastes, desires and want of every unit of organized society? With the want and the willingness to labor, the supply should go equally to one as to another. To tell the laborer that he lives as well as former kings, is a shallow and repulsive mode of dispersing the inferential and half confessed charge attached irresistibly to revelers in more than royal wealth, that their gains are gotten through the operation of false and vicious principles.

Time was, when, and places are where, the foot went, and now goes, bare. Even the sole was and is protected and hardened on y by cuticular growth.

Time, it may be, was when men grew their own clothing like the zebra and the elephant. Who shall detail the trivial steps, the im-

perceptible unfoldments of want, through growth extended from earliest age? A barefooted, or even a sandaled man or woman in civilized countries, at this time, would be regarded as representing great poverty and suffering, or of a development, little more than commenced.

Men who do not wear neat-fitting, pliable, polished foot-gear, are regarded as improperly clothed, and an unexpressed judgment segregates them from others. Those who decline from sheer indolence, are regarded with pity and contempt; but those who do not want them are simply tolerated in the midst of a civilization to which they are foreign. In all the departments and details of modern life, wants have followed a like unfoldment. Want, with the requisite effort for satisfaction, constitutes the accepted standard of civilized growth.

It develops by the ordinary laws of progress. Wants supplied and satisfaction secured, new wants, as new scenes to an advancing traveler, come into view. The rest of supply is followed by the activity of new demand. The night of satisfaction just precedes the morning of new want.

Want grows as grows the flower, the fruit, the graceful willow, the giant pine and the wide-spreading banyan tree.

It germs and sprouts and stalks and ears; it buds and flowers and fruits.

It embodies the germs of progress—personal, social, national and universal.

It involves expansion, enlargement, increase, and, in consecutive periods and civilizations, what seem to be new creations.

It is the present advanced guard of an orderly movement. It flourishes and expands through the activity and effort it inspires.

Want may, however, as easily decay as grow.

A person, family, society or nation which has secured, or begun to secure supply of demand, or satisfaction of want without effort, has already been touched by the blight of decay.

Effort is the born leader of the great civilizations yet to come, and without its aid the present civilization of want must yield to decay.

The great endeavor of ages, the objective point of industrial evolution, is to place effort into that spontaneous movement of use—movement without hope or desire of profit or reward, which will maintain incessant and unobstructed activity throughout space and time.

One has but to look back upon the lives of persons, families, nations and civilizations, to be assured that the time of retrograde and decay came, when want, with the ruling elements of organized society, was supplied to them by effort of others.

One has but to look now at increasing numbers of the income

class, those who live, wholly or partly, on effort of others through rent, interest and profit; has but to contemplate vast fortunes gathered throughout the civilized world, which insure their possessors against the necessity of effort; has but to reflect upon immense multitudes, who are hoping and struggling to attain a position in which life may be realized without effort; has but to count the millions with whom abstinence from useful effort is enforced:—to know that the present civilization is rapidly approaching a trying crisis; to know that stagnation in effort has already begun—stagnation not only among the opulent, but among the apes and dependents of the opulent; not only among the income class and the indolent, but among the poverty-stricken and desperate who have lost heart, because they have lost hold upon the efficient factors of productive life. One has but to follow closely the shock of contending forces, and pursue the logic of conflicting events, to perceive that better principles, practicalized by skillful and earnest men, can alone re-open the avenues of effort, stimulate it to renewed action and avert disaster.

Want, though a hard task-master, aided by effort, and sustained by the allurements of satisfaction, has been an efficient civilizer. Its decay, through the decline of effort, at this stage of human development, would be a fearful calamity.

Rising at the great Source of want, there, from independent existence, want to *give;* descending through invisible channels to the souls of men, where, on the level of dependent life it becomes want to *receive*, as tumultuous and glittering cataracts falling upon expansive and ponderous water-wheels, set machinery in resounding motion, human want throughout the world has awakened and sustained the industrial operations and diversified activities in which men engage, and of which economic science treats.

Civilization cannot part with it, until its function has ended in establishing a reign of effort, spontaneous, hearty, humane, useful and perpetual; until human want to acquire has been transformed into god-like want to impart.

RIGHTS.

CHAPTER IV., SECTION I.

A claim of rights is an unconscious recognition of an invisible Being, whence they are derived, by whose judgments they are defined, limited and enlarged, and through whose power they are enforced. Rights, primarily derived, are recognized secondarily and in the person, as inherent. They flow from the same fountain as wants. They constitute the material embodiment of wants. They furnish wants with food, clothing and shelter. They are an outcome from the same creative power. A man who has wants, by virtue of his wants, has rights. Wants existing, rights, opening the avenues of satisfactory supply, are consequential, indispensable, inevitable.

No need go to men for guarantee of rights; their guarantee is one's manhood. We may combine with others to secure and maintain them, but in our combination, while we re-establish for others, we but recover for ourselves. God having given them, society should assert and maintain them.

A considerate generalization of rights involves three parties. First, the Creator; second, society; third, the individual. Being parts of a great whole, each may be said to have rights upon itself and the others. The Creator has rights on Himself, on society and on the individual. Society has rights itself on the Creator and on the individual. The individual has rights on himself, on society and on the Creator.

We are dealing principally with the rights of man and of society. The chief end of human rights, is to assure, through effort, adequate supply of want.

An assumption of rights without impulse to effort, is impertinent. Effort, or desire for employment in production, is the chief and necessary contingent of rights. A disposition to effort having been abandoned, rights cannot be logically maintained. When effort, reasonable, personal, productive, useful, self-sustaining effort is declined, no right to subsistence, or the sources of subsistence, should attach. It is to be assumed that persons or classes so declining have decided to demise or determined to secure subsistence from the labor of others, either by finesse or fraud, or by beggary and crime. Rights secured and effort declined, turns the currents of life backward, first, upon self, next upon society. Though the inspiriting force of the present civilization is wants, and right to supply its objective point, effort, love of useful, productive effort, is the grandest achievement

possible to mankind. It is end, cause and effect combined in act. Instead of being the master of want, effort, not having reached its destiny, is as yet its draggling servant. A civilization of effort, whose object is to accomplish rather than possess, to carry and to give, rather than to bring and to get, would place justice on the pinnacle of power with rights and duties attendant on either hand, maintaining universal and perpetual circulation of commodity and wealth.

Opposed to this ideal, the thought of industrial life is to attain the means of life, or to live at some future time, without effort. Every man looks forward to the period when his revenue will enable him to live and disport himself without labor. The difference between the business man and the voluntary tramp is that the latter is more selfishly wise; he takes life without effort, at once, while it is going, and is satisfied with slight drafts upon the common commodity, while the former piles up to a time when life may have gone; drafting, in the mean time, heavily upon the general wealth. May not the strained, and oft-times fraudulent industry of the former be overbalanced against society, by the personal sacrifices of the latter? Current views of effort are erroneous in that they tend to concentrate efforts of a lifetime into a few years, and in this short, sharp and decisive struggle of a few years, obstruct and overturn the tranquil, full and rich economies primarily destined to give universal peace and plenty. The ideal of effort is embodied in a life of moderate labor from youth to age, free from fear of needy want on the one hand, and the hardships of accumulation and burdens of anxious solicitude on the other. "Give me neither poverty, nor riches."

But while we keep the ideal in view we must treat conditions as they are; we must take the bird as it flies, man in the movements of an orderly evolution, and concern ourselves with that with which he is at present most concerned.

However unwisely we may have managed them, rights are, nevertheless, inborn and practically inalienable; for though effort in some may fall to a low minimum, yet, no man lives but is willing to make some effort in supply of his own wants; and through that effort he is entitled to rights. They are inalienable, because they are interlaced in the life of want. It is inconceivable that a being, other than a demon, should create wants without a corresponding avenue of supply for them. It involves the possession of a nature which would kindle hope to laugh at despair, create life to enjoy the torments of dissolution. Men were not created by a being so detestable. One has but to consider the amenities and provisions of nature, follow the steps of creation, and the gradations of evolution, to be disabused of an idea so abhorrent. Abundant materials, adapted by nature, or adaptable by effort to neutralization of want, everywhere exist. Follow the life of beings from the simple cell, through the vegetable and animal

kingdoms, to the highest forms of animal life, and not a person or thing, undisturbed by the hand of man, can be found without accessible provision for supply. Furthermore, the closest analysis and fullest research shows this provision has always been completed before creation was commenced; that a pernicious credit system was not set in operation by the Creator.

Originating in the Infinite, rights are unquestionably lodged in and grounded with the finite. But this is not all; they descend, settle and rest upon the world of matter, organized and inorganized, and establish relations between persons and things. Says a noted writer,* "right is only intelligible when predicated of some person who can exercise or enforce it." Again, "right is a relation between some person and external nature. There is no such thing as abstract right."

Of late, an insidious and persistent attempt has been made to certify and insist on the rights of *things*. Within a quarter of a century, this attempt has well-nigh succeeded in changing public sentiment. But a revulsion has already set in against a conviction so abhorrent to common sense and common equity. An eloquent advocate of vested right recently said, "Let it be remembered that all property and all personal rights are held at the will of the majority." If laws may be repealed by future legislatures and set aside by subsequent conventions and constitutions, the permanence of investitures sought to be established by asserting the rights of property and things may prove delusive. "Rights of property," as an expression, is either an idiotic emanation, or a form of speech adapted and disseminated for the purpose of confusing thought, and securing advantage by the mental confusion so produced. When men learn to assume that *things* have rights, they are prepared to assent to any proposition, making things of equal importance in social, civil and industrial affairs with men; to any proposition which would convert men into things.

Rights *to* property is a widely different proposition. Men have an inalienable right to things in use; and so long and to the extent those things can be wisely or justly treated by society as property, so long, and to that extent, should the right of men to property, personal or real, be regarded.

Man's rights are co-extensive with the scope of his existence, and the possibilities of his unfoldment. Rights attach to both his material and spiritual nature.

He has rights to the possession and use of created substances and entities, which render existence satisfactory and development full, rich and harmonious; which enable him to nourish and cover his body, shelter it from the pitiless storm and blazing sun, give it warmth and rotundity, and cause its changing circulation to run with ruggedness

*F. M. Pixley, May 1 '86.

and swell with fatness; rights which open opportunities and facilities for social, intellectual and religious growth, and which afford ample development to his entire spiritual nature.

He has rights to the free use of land, air, water; to raw material in its magnificent diversities; to the uplifting and expanding power of the active principles; to nature's provision for the human race; to the opportunities and facilities for labor and self-employment; and society, itself being a growth—equally with a forest of trees or shoal of fish—to the collective and contemporaneous results of intellectual, moral, social, religious and political development.

THE RIGHTS TO PROVISIONS; TO FOOD, RAIMENT AND SHELTER.

CHAPTER IV., SECTION II.

It becomes necessary to present in specific form an unusual claim as to the rightful belonging of every man disposed to apply his labor to the production of wealth and the supply of his wants. The claim to be presented is, that by virtue of his birth and manhood, he is entitled to provisions in supply of his wants; to a proportional share of whatever creative labor has produced.

It is often carelessly said that "the world owes every man a living." In this utterance lies a truth and an error; and the error is likely to embody a crime, or intent of crime, against society. In the sense that the Creator has laid up in the storehouse of nature an abundance of wealth for the present and most necessitous wants of man, and ample raw material on which his labor may be expended in further supply of want, the utterance is true; but in the sense that one man has a right to take, use and consume what the labor of another has gathered or produced, it is an error, and involves a criminal conception.

The claim of ample provision of food, clothing and shelter for one cycle of production, lies upon grounds so fundamental that it cannot be brushed away by a simple denial. An imperative sentiment is expressed in the shock of which every community is sensible when a man has been starved or frozen to death. Any community knowingly consenting to such privation, with result so disastrous, would be thought to have advanced in civilization no farther than the beasts. It is a general statement that the privation involved in want of food, raiment and shelter is evidence of a social crime. Nor does this rest in the public consciousness on the ground of mere sympathy, and the charity likely to arise therefrom. A wide-spread, if not universal, sentiment prevails in all civilizations that men have a right to the means of subsistence. The national declaration of independence assuring the right of every man to "life, liberty and the pursuit of happiness," impliedly asserts the right of every man to the necessary means, embodied in a common heritage, to maintain life, liberty and happiness; especially to feed, clothe and house himself. No one will deny that the declaration expresses a rightful demand; if not, then no one can deny the legitimate inference drawn therefrom, that all men are entitled, not of charity, but of right to the food,

raiment and shelter provided by nature for the entire human race, whether the provision be in form of natural wealth, or raw-material still subject to additions susceptible of being made by human labor.

But admit this claim can be made only on the ground of extreme indigence, to be relieved through the interference of charitable effort. It is proved *that charity is but the work of restitution; restitution of that which had been taken previously by and through prior appropriation and subsequent inequitable holding of natural values embodied in the common heritage; that it seems like uncompensated labor, but that the absence of compensation was a mere seeming; that compensation had been previously taken by the lords of industry to a large amount over and above labor performed by them, and charity is an indirect work of returning to the indigent a portion of the abstractions which had made them indigent. It is there shown also that the real labor of benevolence embraces only those cases of destitution which result from sickness, disablement and unavoidable accidents. It is further shown that all other work, seemingly benevolent, falls under the limitations of productive labor, and compensation has been exacted from the laborers who have become destitute, long before the work of charity or restitution has begun.

Hence, though we admit the assertion that many men are entitled to provisions, to food, clothing and shelter only on the ground of charity, charity itself being but restitution, the foundation of an argument against the original proposition that all men are entitled to provision for a single cycle of production, is destroyed. From whatever side the question is investigated, it appears that the industrial rights of man have never been regarded by the strong, as having an existence sufficiently palpable to be worthy their distinguished consideration.

From the stand-point of an equitable capitalism, Mr. George has made a forcible argument, showing conclusively that laborers in active employment, first applying their labor to the raw material held by the capitalist, through wages received, the equivalent value for which laborers have first transferred to the capitalist, each laborer supplies his own provisions, his own food, clothing and shelter, and is indebted not for one moment to the capitalist; the latter, receiving *beforehand* even more value than the wages represent, is the party under obligation. While this point is well taken, and the argument places the laborer in actual service in an independent position, granting, rather than receiving favors, the entire aspect of the case changes when it is considered with reference to the laborer out of employment. Mr. George's argument makes no position, secures no provision, no food, raiment or shelter for the laborer out of employment, millions of whom, at the present moment, are so circumstanced. So far as

*See Chapter on Labor.

rights are concerned, they are in possession of no rights save to suffer and die; or, at best, to sell their bodies and goods, their services, honorable or dishonorable, elevating or prostituting, to such of their fellow-men as have secured and held from them through prior appropriation, permanent investure, and buttressing law, the very land, raw material, facilities of production and nature's provision for supply of immediate want, which is their natural inalienable right; deprivation of which makes them dependent and suppliant before their equals.

Much ado, with ample reason, is made, concerning the increase of corruption in politics; the readiness with which men prostitute themselves for a small compensation, sell their vote at the polls, in the legislature and in congress. Corruption is not confined alone to those who sell. It runs even more rankly with those who bribe and buy. Corruption exists in high life as well as low, and while there is no adequate palliation for the former, a strong fundamental and imperative reason exists with the latter. Current theory of economic science holds that a man must have something to exchange, to sell; else he must live alone on what he himself produces or starve. If a laborer is driven from the fields of production by prior appropriation and permanent investure, he can produce nothing. He cannot therefore live on what he produces. He turns, then, from the objective to the subjective, to find something to sell. He is supposed to own himself and can sell himself, or what is the same thing, his services, wherever and whenever he can find a market. If there is no demand for his virtuous services, if the markets are filled with commodities which capitalists can not sell at a satisfactory profit, if stagnation at the centres of exchange sets back and closes work-shops, factories and fields of agriculture, if he is denied the right of labor as an employee as well as an independent laborer, he has no other resource but to sell such services as remain, which are in demand. A legislator, being compensated by the people, through taxation, has no excuse whatever in necessity for swerving from principle, but the unemployed voter, despoiled of his natural rights in the soil, in raw material, in machinery and in provision for his necessary wants, and without compensative employment, has an economic reason for selling his vote at the polls. It arises from the fact that the market affords no demand for other services or franchises which he has to sell, and he is driven by a necessity, for the existence of which he is not responsible, to sell his services and franchises, his management of clubs, primaries and elections, his vote, to political managers who open an economic market for such goods.

But the question arises, why are political managers affected in their public work by corrupting influences? The answer involving only the external incitements to corruption is not far to find. In

America we claim to be a "nation of sovereigns." It is a common expression emphasizing the commonly accepted doctrine of equality, but carries with it the idea of kingly prerogative, of life without what has been recognized as productive labor, of decorative displays in connection with expensive modes of living, of servants in livery, studs and equipages, of royal residences, of fetes, tournments and pageantry. With a wide territory open to appropriations directly or indirectly, with a government confirming such appropriations and holding them for the appropriators by a powerful and steady hand, and besides, conceding to individuals and corporations, special franchises and opportunities, on the false theory of public benefits to be subserved, a few men have acquired power and wealth exceeding the power and wealth held by many sovereigns, and the balance of the population have flattered and yet flatter themselves, that through personal effort and energetic use of the means at command, their advance to similar power and prerogative is of necessity assured. Unconsciously instilled also with the basal principle of current economic science, that one man, however poorly accoutred for the industrial conflict, is equal to another man panoplied from head to foot with all the appliances of industrial warfare, they delude themselves into the belief, that the time is not far off when this ideal of citizenship will be realized through their own efforts. It is a dark and damning delusion. If the entire wealth of the country were equally distributed, every person would be a sovereign to the extent that that wealth, valued at from one to two thousand dollars, would make him a sovereign. And yet, under this delusion and the further delusion industriously promoted by interested parties that energy however exercised, and industry however applied, will lead to the acquirement of wealth and power for the energetic and industrious, the work of making a nation of sovereigns goes bravely forward! But in some mysterious way, not recognized by the energetic and industrious, the wealth of others accumulates and their own diminishes. And yet the goal of their ambition is before them; the palaces and pageants of the successful are a never-ceasing spur to their enterprise, and they go blindly forward, believing that it is their own fault they do not succeed, and clutch unscrupulously at anything placed within their reach which may help them forward to the destiny which they feel is for them.

Not actually in need as is the poor man who sells his vote at the pools, but desirous of realizing a false ideal of citizenship through the possession of wealth, rather than a true ideal through intelligence, personal industry, and virtue, he is open to the first and all tenders, either of money, position or power, which will open his career or promote to its advancement. A member of the legislature, finally realizing the impossibility of securing wealth as others have

done, sells his services and his vote for a few hundred or thousand dollars. A member of congress disposes of his political and social belongings, as he would his horse or his cattle. Judges on the bench, and executives at the centre of power, touched by the general fever for accumlation, for advancement to the condition of sovereigns, secure the advantages their positions afford them, to advance their own interests regardless of the public welfare.

But, if these men sell, who buys? Demand always precedes supply. Even in nature, where it is apparent that provision has been made for the race before advent to material existence, the want of the Creator to give,* has preceded the creative labor of supply. So likewise want on the part of men has preceded prehensive † labor. It is the rule, that men never produce, or, offer to exchange anything until a demand has arisen from some source. The action of buyers, always at first, precedes the action of sellers, however afterward the impulse may alternate between buyers and sellers. Demand is the active efficient primary cause of supply. It is so with the sale of votes, influence, position and power. If we find men in public and private life selling their suffrages and influence, it is an indisputable inference that the buyers are primarily responsible for the selling.

Hence the corruption of the times is logically traceable directly to that class of citizens, who have already become sovereigns, through prior appropriation of the sources of wealth and manipulation of them to their own advancement; traceable to the corrupting influence emanating from accumulated wealth, continually in effort to maintain and increase accumulations. Of these classes, those who originate and promote corrupting influences and buy; those who sell, not for necessities' sake, but for the love of more lucre to bring themselves to an equality with the most powerful among a nation of sovereigns; and those at the very bottom, deprived of the means of self employment, and refused employment by those who hold in their possession ample means of employment for all, who, willing to sell their useful and honest labor for which there is no demand, are driven by necessity to sell their political influence and votes for subsistence and comforts, to which all willing to labor, are entitled; of these classes, the most innocent is pronounced by public sentiment the most guilty, while the most guilty, the responsible originators of all corruption in high and low life, from the first land grabber in Virginia§ to the last water grabbers in California,‡ are not only adjudged guiltless, but are held in the highest personal and social estimation!

*See chapter on Wants.

†See chapter on Labor.

§Sir Walter Raleigh.

‡The appropriating syndicate.

What is the standard of public judgement, if it is not that the wealthy man is the truly honest and good man? One has but to note the universal toadyism to wealth to become satisfied that the large middle class, those who have not become, but, who are assiduously struggling to become sovereigns are goaded on to activity and enterprise, by a perverted ideal of what constitutes good citizenship and a delusive belief that that ideal through personal energy can be realized by all.

But let us return from this diversion, to the rights of all, and especially of unemployed laborers, to food, raiment and shelter.

We have seen that those under employment have the opportunity of supplying their own wants—after they have by their labors supplied the wants of their employers and their dependents—through wages received; that society, by its acts of charity—which is but restitution—recognizes the right of every man to ample subsistence, and that the declaration of rights, which in asserting the inalienable right of every man to "life, liberty and the pursuit of happiness" asserts every man's right to the natural means of supply neccessary to promote and enforce said rights.

But it will be shown, moreover, that these claims are based on ample provision made by the Creator and stored away in nature previous to the advent of man: therefore, that no man should be dependent upon any other man for provisions, at least during a single cycle of production. Does any intelligent person deny that without the application of human labor or previous storage by men on human account, ample provision of food and such raiment and shelter as was required had been made by creative action? that the want of the Creator to give, to provide for creatures incited the requisite creative labor? If so, he has but to follow up the order of creation as pointed out by tradition, history or science to overcome such denial. It may be asserted without the possibility of successful disproof, that no order of beings, and hence no single being, was ever brought into existence whose food and other requisites of life and growth had not been previously prepared by creative labor.

Let us briefly and in general, take cognizance of the order of creation and the connected fact of previous provision, and see what is taught. Concurrent philosophy and science refer to the earth's condition in the infant days after it had parted company with the parent sun, as a fluent, fluxy mass moving about the sun under the operation of centripetal and centrifugal forces, in a state of magnetic upheaval and unceasing and universal combustion. Fire, continuing through æons immeasurable, as under like condition even now on a small scale with semi-fluent substances, gradually separated the earth into solids, liquids and gases; solids which exist now as igneous rocks and land; liquids embracing the earth's oceans; and gases, its subterraneous deposits

and the circumfluent atmosphere. Succeeding changes led to evaporization and to subsequent establishment of water currents moving upwardly in mist and cloud from the surface of the ocean, and downwardly, back to the sea through the channels of brooks and rivers. These water currents traversing first the air, then the land, in their perpetual circulations, broke down the surface of igneous rocks and originated by slow gradation the vast system of aqueous deposits since upturned to geological research; but what is more pertinent to our inquiry, inaugurated in every portion of the globe the various soils, which, with the ocean and atmosphere, constituted the original basis of all subsequent life and growth.

Vegetable life had not yet appeared, because preparation for its maintenance, still progressing, was not yet completed. We have seen how water and soil, two prerequisites of vegetable existence have been, through the influence of heat, wrought out of the primeval confusion and chaos. But the atmosphere contains the mystery of vegetable existence. It is briefly told in the presumption that combustion in primeval periods, continuing as it did for ages, resulted then as it does now in the production of carbonic acid gas, and of necessity, then, heavily loaded the atmosphere therewith. The condition of the atmosphere was, and is now in small proportion, the characteristic and indispensible condition of luxuriant and massive vegetable development. Carbon in some assimilable combination was prerequisite. Its excess, other conditions being favorable, insured such vast vegetable growths as anteceded the world's coal deposits. Present science tells us that ammonia and the earths of the soil, water in the oceans and streams, and carbonic acid gas in the atmosphere, when combined, constitute the rich and ample food of vegetable organisms. These things, evolved by combustion from the common flux, antedate all germs and seeds, and their preparation constituted the creative provision to nourish the first order of organized beings. In them we have the food of the vegetable world fully provided, before vegetation, in the midst of general combustion, could live.

But, food to the vegetable, it is death to the animal. It is impossible for the latter to live in an excess of carbonic acid gas. Before animals could be brought into prominent existence, carbonic acid must needs be diminished and removed and oxygen made to preponderate. While carbonic acid gas is the principle atmospheric aliment of the vegetable, oxygen is the most important aeric food of the animal; water and soil in various ways being common to both. In preparing the way for animal life the atmosphere was needs cleared of an excess of carbonic acid, and in its stead an excess of oxygen placed.

It is not pertinent to the purpose of the argument to refer especially to the marvelous and compensatory skill, wisdom and

power, through which these changes are wrought. It may be merely remarked that the atmosphere being filled with food for the vegetable, the vital efficiencies in the leaves of plants decomposed the carbonic acid gas brought to them by the air, taking up the carbon within the structure of the organism and setting the oxygen free to give a new life and character to the atmosphere. During untellable periods this process of vegetable growth, fed by carbonic acid, proceeded; and at the same moment and through the same process, the aeriel pabulum of animal life was gathering in the atmosphere. Excess of the former—carbonic acid gas—entirely disappeared; and excess of the latter—oxygen—accumulated with the same degree of rapidity. As carbonic acid came into and filled the air with an excess, vegetable growth was not only made possible but became luxuriant; as it went out of the air and oxygen took its place, vegetable growth declined and animal existence became, at first possible, then luxuriant. Animal life made its appearence, only after food of the animal had been prepared for its origin and development, not only in and from the water, but in and from the atmosphere. It was a simple and gradual, but an extensive and sweeping change. Animal life of the lower white blood species, came into existence on the appearance of a minimum of oxygen, sufficient to give it the necessary pabulum for a low vitality; and, as the oxygen in the atmosphere thickened, and the carbonic acid disappeared affording better and richer forms of nourishment, better and higher forms of animals came into orderly existence, surviving, and developing on food previously prepared and stored up in nature's reservoirs for their sustenance. Gradually advancing through an increase of oxygenized food from the white corpuscular to the red corpuscular blooded animals, at last man appeared on the arena of life previously provided, as were all other animals with ample food, and adequate clothing, and shelter; and, unlike most animals with capacity of increased want and power of supplying the same.

Thus it is abundantly evident that for both classes of organized beings, vegetable and animal, ample provision was made in nature for full supply of the requisite nutriment, previous to the germination of their seed and ova, and it is susceptible of proof that the same antecedent provision, which was made for the wants of these two classes of organized beings was made not alone for each genus, and for each included species, but for each and every individual of each species. Not only was the prepared material of their respective organisms at hand to be drawn by the vital forces, around and into their seed and ova, but the food of every animal was prepared by creative labor, before it came into active existence; and not only food, nutritious and ample, but such raiment as the then climatic conditions required for comfort, was within full reach of all.

The statement is equally true regarding provision made for the maintainance of man, as that made for the lower animals ; only for the former it was more ample and complete, as his wants and aspirations were higher and more diversified.

Thus the first phalanx of laborers, such as they were--principally prehensive* laborers, but progressively becoming laborers of increase and transformation--was amply supplied with the requisites of maintenance for the first cycle of their industrial life, and had the wants of men remained stationary, probably for all succeeding time. And what was provided for the first generation or phalanx of men has been provided also for every succeeding generation or phalanx. The ancestral provision through successive cycles of creative labor has run down the stream of time more enduringly and effectively than the blood of protoplasmic ancestors has promoted an unbroken line of genealogy ; because creative labor, whatever man may or may not have done, is ever active through unceasing cycles, making antecedent provision for all successive generations. It is not important to inquire how soon cycles of production in supply of new wants, crystallized into regular industrial life. It is enough to know that, until the want of men advanced from the most primitive form, nature supplied food, raiment and shelter ; and furthermore, at the very time, and during the period new wants were in process of supply through variously developed forms of human labor, the food, raiment and shelter supplied by creative labor, fully sustained the life, vigor, hope and ambition of the laborers ; it is enough to know that the same effort which brought primitive supplies into existence and to perfection has operated through all ages and is now as active as at any preceding period, producing supplies for every individual of the world's present population ; supplies to which every man has a proportional and inalienable right irrespective of the additional provisions his own labor may or may not produce.

Here the question imperatively arises, What, during the lapse of time, has become of the common provision of food for the human family ? Why, for a single first cycle of production is that mass of laborers—why is a single laborer—desirous of undertaking the independence of self-employment, obliged to appeal to their fellow laborers for provision and seed, or abandon their commendable and rightful designs ? It is because the ancestral fund of provision, of food, raiment and shelter, by a gradual and seemingly equitable process of appropriating raw material,—seed and ova—and the soil,—the requisite matrix of birth and development—has been abstracted from nature's ample store and amassed deposits ; because collective ownership and control has insensibly passed, without adequate and opportune resistence through a species of spoliation, to individual ownership and control.

*See chapter on Labor.

By what process? Through a primitive saving not only of what belonged to one's self but what belonged to many others.

Saving is the passive act whereby according to economic science, capital and wealth are accumulated. It includes a characteristic which is exceedingly praiseworthy, viz: that of *economy*, which involves a careful use of what one possesses, without waste. But it includes another characteristic which is deserving of the strongest censure: viz., that of hoarding for the mere love of hoarding under a real or pretended fear of need.

But hoarding what belongs rightfully to one's self is one, and what belongs rightfully to others, is another proposition. No maximum nor minimum can effect the essential virtue of the former, nor the essential vice of the latter.

Saving is based on surplusages. It is possible only when something has been produced by human or creative labor, or both, which can be saved; when surplusages exist after use has been fully subserved; and saving can be pronounced commendable only after the saver has fully consumed what his strength, development and comfort require, and when his saving is confined alone to his own surplusages derived from his own labor and his portion of the common heritage. But the saving which has contributed to make some laborers capitalists and employers and others employees, has included not only the results of the capitalist's own labor and his own portion of the common heritage, but the result of his employees' labor and their portion of the common heritage; values which belong, by natural equity, inalienably to the employed laborers. It is this remarkable phase of saving, saving supplemented ultimately by labor-saving machinery which is freely and indiscriminately commended by economic writers, saving without sacrifice, which has enabled capitalists at one and the same time to live luxuriously and accumulate rapidly. Failure of economic writers, to note the serio-comic aspect of their theory, and the utter folly of their advice, has resulted from their failure to recognize value except in use and exchange, and their determination to ignore value inherent and as produced by creative labor.

Saving is imputable alone to things which embody increase and decrease. Its especial use is to prevent natural decay, or the unnatural destruction of values produced by both creative and human labor; values which though distinct are not always separable. Land cannot be saved because it cannot be destroyed; nor can it in any substantial sense be either increased or decreased. But raw-material, —the rudiments of food, raiment and shelter—wealth,—which has grown through operation of the productive agencies, from seeds and eggs—are susceptible of increase and decrease.

These things constituting the source of capital and wealth, as the

terms are herein used, *the current assertion that capital and wealth is accumulated by saving, embodies an undeniable truth. But the truth, as presented by economic writers, carries with it some most grievous errors and involves some most damaging results. Presented as it is, the more important position that creative labor is the primary origin of all values, natural and artificial, †is obscured. The equally important position that productive laborers, in order that they may produce enough to leave a margin over and above the necessities of a reasonable mode of life, must have access to the facilities and opportunities of production, to land, raw-material, tools, implements, machinery and provision, and that the access must be as free as the fundamental equities can decree, is also ignored. The advice, to save and thereby become capitalists—so freely offered by economic writers, and insisted upon as the basis of business success—given, as it is, to laborers whose daily subsistence absorbs their entire income, and who can have no surplusages, savors of mockery. If men undertake to save from their daily income what their daily wants require, they are guilty of folly; if they attempt to save what they cannot previously get, they are insane. Yet this is the position into which economic science drives and leaves the large mass of unemployed laborers.

Let us go by rational induction and philosophic fancy to primitive conditions, and consider this topic of saving in connection with natural provision of food, raiment and shelter; the probable mode of its origin, growth therefrom, and the present status. Saving is associated with primitive and equitable prudence on the one hand and primitive injustice on the other; the latter originating in the most disguised, subtle and probably innocent manner.

Adopting the premises already shown to be true and substantial, that abundant provision and the natural and primitive implements of constructive industry were supplied in nature for use of the first phalanx of laborers during their first cycle of production, and the further premise that all men were born equal and with certain inalienable rights,—life, liberty and the pursuit of happiness, and the natural means thereto—it follows that each person of the first cycle of production was entitled to abundance of provision, seed, implements and land, share and share, proportionally, alike. These shares being inalienable constituted the personal belonging of each and every individual; property held by each person through a tenure more permanent and defensible than any modern tenure of land. These tenures lapsed and fell from the hands of the many into the hands of the few, through the natural propensity of the latter to exercise excessive forethought regarding the future, to care for existing things with a

*See definition of Capital.

†See chapter on Values.

view to provide for unseen contingencies and possible wants, and through the disposition of the many to live in the present, without that prudence which has been thought to be a paramount industrial virtue. Without discussing the relative merits of different forms and degrees of prudence, take the fact as it is, that the two classes, the imprudent and prudent existed, and that the former were disinclined to save except for present use, and the latter—a small class—were determined thereto by a powerful impulsion to gather and hoard beyond the requirements of present use. These two characters placed side by side, each with some small quantity of surplusage, over and above daily requirements, and the process which involved the growth of capitalism and developed to world-wide dimensions commenced thus:

First, the savers, to the extent that commodity can be prevented decay, saved their own surplusages. Natural acquisitiveness was thus quickened and developed by the exercise of prudent action. Stimulated by the small momentum of greed thus engendered, they turned regretfully and covetously for the surplusages, which, nature in its abundant provision had given to their neighbors, and which they, in the absence of a strong acquisitiveness and presence of an intuitive trust and faith, permitted to decay. The play of these two dispositions; the one, careful, aggressive and selfish, the other unselfish and taking no thought of the morrow; the one representing the Marthas the other the Marys of every age, was facilitated by the undefined conditions of primitive times; olden times, when each one's right was admitted without drawing around each one's inheritance closely defined measurements, or, lofty walls of circumvallation. The naturally unselfish, had no present cause to interfere with the apparently harmless encroachments and of their more acquisitive neighbors; of those who had grown and are yet growing greedy. Hence, the next step of the accumulators, the primitive prototype of the modern capitalist, was made in saving for themselves the surplusages of their more careless trusting and unsuspicious fellows. At these points and in these acts, varied and modified indefinitely commenced the growth of that inequality of wealth, which at sometime has marked the condition of affairs in connection with every past and decayed civilization.

But these acts of saving did not end, nor was the real mischief done here. It mattered little, that the presently undesired surplusages of an inconsiderate mass went to the few, so long as the former had, when they choose to exercise it, free access to the origin and sources of subsistence. The latter could not at once use them and on their hands they were likely to go to decay. But as the wants of society became diversified, as exchange, purchase and sale, demand and supply became operative, these surplusages became

available, and contributed to increase, intensify and establish the power of the savers over the economic destiny of their fellows.

Nor did the mischief end with the absorption of surplusages. From taking the fruit of a tree, it was an easy step to claim the tree, then the soil it flourished in; from taking the fish, it was easy to claim the spawn, and from the spawn to claim the stream. As wants of the few increased, through excess of supply to them, derived from their neighbor's surplusages, the surplus provisions of the many having been already absorbed by the few through an easy and imperceptible gradation, step by step, little by little, not only provisions but the sources of their supply, the facilities, raw material went into the hands of the savers. Thus was insensibly lost to the many, their primitive holdings in the earth's entire natural wealth.

But the real mischief did and does not end here. The savers, grown to be capitalists, having secured by an insensible movement possession of the sources of wealth, gradually lost sight of the original equities, claimed and still claim absolute ownership, not only of provisions, but of the sources whence they are derived, and the expropriated were driven—are still driven—*nolens volens*, into the employ of the former on such terms as they could and can make with the appropriators.

This is the status in which Mr. Thornton and other thoughtful men* found the army of laborers throughout the civilized world; a status from which they have assumed to assert that the only right of laborers is to contract with the saving capitalistic employer for such compensation of labor—having been progressively despoiled of all natural rights to any portion of the earth whatever, except themselves and their own power of labor—as employers may be inclined or forced to accord them; a status the real existence of which cannot be denied, but a status which is the result of centuries of progressive and persistent despoilment.

It has been thus pointed out that every man willing to apply his labor to production has a natural birthright in the provisions necessary to sustain him in his productive efforts; and it has been shown how that right to food, raiment and shelter has been insidiously withdrawn from him, and how social and political corruption among the poor is the logical result of such despoilment. It is a logical inference that the struggle for existence on his part must result in a disadvantage which nothing can overthrow; in an inequality of commodity and wealth which no effort, mental or physical, however intelligent and energetic, can overcome; an inequality which is the occult and underlying occasion of the present contention, not between labor and capital, but between labor and hoarded wealth.

*See Thornton on Labor and Chapter on Labor.

THE RIGHT TO USE OF TOOLS AND OTHER FACILITIES OF PRODUCTION.

CHAPTER IV., SECTION III.

It becomes neccessary to present another claim regarding rights which has not been recognized; rarely considered. It relates to the use of tools, implements and machinery or the facilities of production. Men have equal rights to the use of facilities. Let us fully explain and prove how and why. Opportunities present the points and surfaces, whereon labor, in supply of want is or may be advantageously applied.

Facilities embrace the current aids to production, imparting to a given expenditure of personal power the fullest effect. Facilities increase the effectiveness of effort. Tending to maintain equalities or to increase inequalities incident to production, their use is of an importance equally with the use of opportunities.

They consist of instruction, apprenticeship, appliances, tools, fixtures and machinery used in the production of material wealth; of common, academic or collegiate institutions of learning; of apparatus, libraries, galleries of art, conservatories of music; of educational universities in which the professions are taught and applied in the production of intellectual wealth. In fact, facilities equally with land and raw material and the vast mass of commodity arising therefrom, are the results of a form of creative labor.

As forests of trees, shoals of fish and herds of bison are results of natural growth, facilities are the result of social growth. They belong, therefore, to no person, class, nation, clime or age. Creative labor and the labor of universal humanity have, from the most remote periods, joined hands and carried forward the growth of facilities from the most primitive forms, through developments as gradual as the evolution of species, to their present brilliant and effective perfection. Whether considered in the fields of science, letters, art or physical industry, the achievements of the present in this regard are the work of all preceding civilizations. Who can trace letters to their actual origin, or follow the unfoldment of their use from earliest to latest time? When and where did music, painting and sculpture originate, and through what progressive evolution have they arrived at their present perfection and promise? Where and when did

science find early twilight, and through what consecutive augmentation has it approached a noonday splendor? Who first noted the power of steam, and through what multitude of experiments and ratiocinations has it been harnessed in steel? How many have pointed out the forces of electricity and terrestrial magnetism; have surmised and suggested their nature, analyzed their adaptabilities, and combined to place them in the line of advancement to a higher destiny in the arena of uses?

Alchemy and chemistry have risen from the misty morning of civilization through untraceable gradations.

The lever, commencing in the stalk of a reed, the inclined plane founded upon the philosophies of a side hill, the pully, originating in some unknown manipulation; each have had an advancing development to complicated uses and interminable facilities.

The present status of facilities which increase the productiveness of labor on both the intellectual and physical plane, is undeniably the result of slow and imperceptible growth. At one era or another, at some place or another, some particular person or another has been the instrument to concentrate accumulated disclosures or adaptations, and embody them in forms of use. These concentrations and embodiments have inseparably linked his name with some particular current of discovery or invention. As shallows, rapids or cascades are only points of interest in the ceaseless current of a river, as childhood, youth, age and resurrection are but eras in manhood development, so, noted names, noted disclosures and noted contrivances are but epochs of culmination along unbroken lines of discovery and invention. Men of genius are men of receptivity, especially developed for culminating periods. They catch the stray drops and concentrate the meandering rivulets of knowledge distilling through the perception and trickling through the rationality of generations preceding them. Possessing peculiar gifts they convert these into wonderful and diversified utilities. The dull multitude erroneously regard men of genius not as instrumentalities, but as heroes or gods. Facilities being therefore the result of industrial evolution, each person, being inalienably entitled to free access to opportunities, at any point of this progressive enfoldment, has been, and now is, entitled to the equal use of a fair proportion of the enginery of labor. This title comes principally as a heritage through virtue of his manhood; but especially through the labor which he has applied, and is willing to apply, to that production which has resulted, and is yet to result in vast aggregations of tools and machinery.

This position may be thought unfounded, save in opinion and assertion. It is not so. It is entertained and practically enforced by large majorities in the civilized nations of the world. Through contribution, great institutions, not eleemosynary; through taxation,

vast establishments in free supply of some of these facilities, are everywhere sustained.

Private enterprise has done much to emphasize the rectitude of this claim. Scarcely a city of any note in America and Europe but has its free libraries, galleries of art, schools of designs and conservatories of music, inaugurated and sustained by contribution. Reaching down to the lower grades of life, and touching earliest childhood, a system of kindergarten schools has sprung up, furnishing at tender and determining age, free facilities for moral and intellectual development.

Through taxation every nation of Europe and America is enforcing the right of every one to free access to the facilities for accumulation of intellectual, moral and religious wealth. The free school system, extant in America and with some of the nations of Europe, recognizes and enforces the principle here contended. Expensive buildings are erected, valuable apparatus constructed, teachers in all grades and departments employed, and in some quarters free books furnished to facilitate the acquirement of intellectual commodity to be in turn applied to facilitation and easement of material accumulation. For the adult population, men and women, extensive universities, with free engineering, law, medical and theological departments, are in full operation to facilitate preparation for practical and active life. Some of the nations of Europe have been conspicuous in sustaining the rights of the entire population, especially to free religious and theological facilities; they maintain at public cost, churches and seminaries of state. These facilities, such as they be, are thrown open under regulation of law, to the free use of the population. It matters not that these public institutions have been often used by the unscrupulous and ambitious in furtherance of interests antagonistic to freedom and the general good. So, indeed, have the educational and political institutions of America been used. Schools and colleges are to-day so used to indoctrinate the minds of those who should be future leaders of thought with the delusive teachings of an incomplete and misleading science of political economy. Nevertheless, the doctrine that all have equal rights to facilities developed by collective growth is strongly emphasized.

The theory of the patent office is that the discoveries and inventions of every age are of right the property of the people. After a few years of exclusive use by the patentee, guarded for a time by government to encourage effort, inventions and discoveries are thrown open to public use.

Facilities for gaining and maintaining equal rights under existing forms of self-government in form of the ballot, have been assured to every voter. It sustains the control of the individual over his political advantages.

But while the principal of free right to facilities has been decidedly recognized as to education, religion, art and government, it has failed thus far to include by any appreciable extent the workings of industrial life. Private enterprise with individual selfishness attaches to tangible things more tenaciously than to intangible things. It plays its strongest card on the material plane among the physical activities. Tools and machinery of wood, stone and iron, are held by the strong, unyielding arm of appropriation, while facilities, productive of religious, intellectual and artistic entities are distributed with unselfish freedom.

The finest elements of greed, grovel and grind nearest the line of matter and ground themselves in the materials of industrial activity.

If the appliances of production which increase the power of labor, if fixtures, tools and machinery, were distributed to men with the same profusion and equality as are the facilities of education, art and religion, a new era would be opened to industrial life.

In the matter of facilities, time has come to begin the adoption of the same rule on the material as on the intellectuo-affectional plane; to furnish to all, equal, if not free use, as well to industrial facilities as to educational facilities. Selfishness of appropriation can not long stand in the breech against the demand of the expropriated for advantages which are rightfully their own. A pure and equitable individualism can not be sustained without a just assignment of each to all natural opportunities and developed facilities; and unless the assignment is made, the untiring forces will irrestibly drift development into destructive concentration, or socialism.

The importance and necessity of an equal distribution of facilities is emphasized by the facts, that the power of the mechanical forces in America has added since 1870, the strength of 22,000,000 men; that throughout the world within twenty years machinery has displaced, up to the present time, the labor of 180,000,000 men; and that in both cases the product of their labor, through appropriation and ownership of the facilities, as well as land and raw material, has fallen into the hands of an industrial oligarchy. To these facilities which give effectiveness to labor, men have rights as they have rights to the free exercise of choice and reason; rights inalienable and unlimited, save by the equal rights of others.

RIGHTS TO THE USE OF MONEY.

CHAPTER IV., SECTION IV.

The necessity which arises at the point of exchange, the necessity of a measure of value, enabling both parties to every act of exchange to conduct the process upon an equitable basis and adjust balances between themselves without intervention of a private financier, originates demand for free use of money.

Let no man start at this demand. Free use of money does not involve its ownership. The right to property is not infringed; for true money is not property, nor is property true money.

Ideal or true money has not as yet come into exclusive or even common use. Within a couple of centuries the exigencies of an expanding civilization have forced it forward. Its advantages have been thoroughly tested; but owing to selfish prejudices and antagonistic influences, so soon as public exigencies have passed, it has been driven from circulation, and barter-money—gold and silver—has retaken its place.

The character of a money is determined greatly by the general spirit which brings it into use. When the patriotic impulses of a nation arouse its citizens to a defense of their institutions, liberties, homes and firesides, as instanced at the time of the slaveholders' rebellion, paper money carrying on its face the credit and power of the people, finds a ready circulation. But after it has subserved the patriotic purposes which brought it into use, and patriotic impulses have again given place to the sordid life of gain-getting and accumulation, it must needs give place to gain-getting gold and silver. The paper money of the country was adequate and adapted to the higher impulses of patriotism, but could not be readily handled to subserve private and selfish interests.

The true money, like the true man, is good on all occasions and for all purposes, and evil in none. It does not, under conditions of public danger, as does gold and silver, shirk all duty and slink from sight. Under political emergency or industrial disaster, it remains in the field of use, sustained by the hope and faith of the people and soundness of the public credit.

Barter-money—gold and silver—has never stood the test of a strained credit. It has been dragged by interested parties into crannies and caves and hid away in dark and secret places, just at a time when most needed; dragged away on the same impetus which would cause a dry-goods merchant, using gold and silver yard sticks—if any could be found foolish enough to use gold and silver when ash

and hickory are as useful and infinitely cheaper—in case of a raid on his premises, would hide the yard-sticks and leave the woolens, silks and velvets on the counter. The faith with which the national currency was received, when the national credit was most strained, manifests in a marked degree the shallow thought of those interested croakers, who assert that money is worthless unless it be produced from bullion.

The confused ideas, which yet prevail regarding the nature and uses of money and essence of commercial exchange, renders an understanding of this demand difficult. The attempt, impossible of achievement, to measure all commodities, continually fluctuating in exchange value or price with two or three other commodities—gold, silver and copper—themselves, also perpetually fluctuating under the fierceness or laxity of demand, has added, and yet adds to the general confusion.

If we recognize the truth that all real commercial exchange is between goods and goods, between the value in one commodity and that in another; and that the purpose of money, through use of an idealized social unit, its fractions and multiples is to measure those values; if we consider that money in the hands of each man represents values which have gone out from him during the process of his exchanges and records the amount of values which are due him from the world of commodity about him, to be secured to him by further exchange; if we consider that money, whether paper, silver or gold, merely measures, records and represents values; that its object is principally to render unnecessary the keeping of books in record of daily exchanges, all thought concerning money and right to its use would be simplified. It may be simplified by the further consideration that debts are not canceled by money. In money, freed from the element of commodity, lies no value. It is value which is exchangeable, and value is embodied in commodity; commodity alone can fully pay or cancel debt. If I, owing a man for a coat, hand him a double eagle or twenty dollar currency note, my debt has not been paid. It is true I have done my part and put him in the way of payment. It is only when he has received food, clothing, shelter or service to that amount from other members of the community, that he has received his payment. So long as he holds the paper or coin, it stands to him only as so much credit for commodities, which he may need and procure at once or after twenty or fifty years.

When thought is simplified, it will not be many decades, before the free people of every nation will arrive at the conclusion, that the use of gold and silver, as paper in the work of keeping books, fixing credits and arranging for the adjustment of balances, as an adjunct to commercial exchange, is entirely too expensive.

It is especially to the equal use of this true money, freed from the

dreg of commodity, that every man is entitled. Every scrap of paper, every piece of silver and gold issued by Government as money, draws directly or indirectly upon the labor, wealth and credit of every citizen; and as an individual he has an interest in the entire mass of the circulating medium. It is his industry as a laborer, his integrity as a man, his patriotism and faith as a citizen, which contributes to and furnishes the wealth, prerogative and power, upon which government, in the issuance of money, basis its action. Society has determined, the constitution has authorized, and government has assumed to coin, print and issue money in the interests and for the benefit of every citizen. Why should not this benefit accrue to every citizen equally with every other citizen, as the right of every citizen to protection of the law and the equal administration of justice are practically guaranteed?

When any public function is assumed, the wants even of the humblest and poorest citizen should be regarded. The governments of all nations in the administration of postal affairs, find a way to place every citizen in continued and unobstructed connection with the service rendered, each one on equal terms with every other one. Suppose postal cards and stamps were allowed to be concentrated at central depots and there become, as money has become, the sport of private speculation and management. Is not money which government undertakes to supply, of equal importance, in its arena of use, to the industrial process of exchange—a process in which the poorest and lowliest are vitally interested—as is the administration of postal facilities, or the various departments of justice? Why should Government divide its duties and powers with private individuals and corporations, in connection with the creation and distribution of money and not in its administration of postal aand other public affairs? Can any government give an adequate reason to its citizens why it should have issued $500,000,000 in national currency to a few persons combined into banking corporations at one per cent., when it refuses to loan its money to other citizens at any rate whatever? Why should the security of a few citizens be taken for loans and no provision made to receive, by the government the security, equally good, of vast numbers of others equally entitled to the use of money?

What use that men cultivate the soil, apply their labor to raw material, supply themselves with needed provisions, arm themselves with machinery, put forth the most effective effort in the production of useful wealth, if at the end, at the critical point of exchange, through want of the requisite machinery, therefore, they are to be despoiled the results of previous care and industry? The delinquency of the government whose duty it is to afford ample facilities for exchange through issuance of money, for the use, not of favorites, but for all alike, cannot be too strongly condemned. By a judicious handling of

the national finances, uninfluenced by private financiering, affording the use of money to all on terms as favorable as those accorded to a few, much might be accomplished toward that distribution of wealth and equalization of material conditions which the continued life of the nation renders imperative.

Many considerate citizens believe the financial question of paramount importance, that finances judiciously handled in the general interest, the disorders which permeate national industrial life must disappear. A vicious and ineffective financial system is, however, but one of several influences, which, in supposed furtherance of personal, really in destruction of all interests, conspires to upset the present civilization and turn the dial of progress back for generations.

How can national finances be best handled to amend disorders and promote the general interest? Suppose we insist on the proposition that all citizens be served alike in money, as in other matters; that arrangements be so made that the farmer, manufacturer, mechanic and merchant, small and great, shall receive loans from government on terms as easy as those enjoyed by the national banks; say at one per cent. per annum. How many will this movement materially and directly benefit? Only so many as are able to furnish the requisite security upon which money can be safely drawn from the treasury. No man can be wild enough to suppose that society can furnish the individual a form of money which will enable the latter to draw on the commonwealth without an equivalent given in labor or an equal value deposited. Although money is, in and of itself, when stripped of the element of commodity, valueless, so long as it carries the promise of the government to *pay*, it is capable of calling up the entire wealth of the nation. To place such money in the hands of every one desirous of borrowing without security other than a paper promise to repay, would be a general premium on reckless note-signing and unproductive idleness. If money could be issued, merely as a measure and record of value, without the representative or commodity element,—without the pay or the promise to pay—it might be issued to every one to any amount; but it would then have lost that especial use for which it is so highly prized, and would doubtless be rejected as of no more use than common account books which every man may carry in his pocket. It is the social element, the combined promise to pay—aside from commodity value—which gives money its power. Every note or coin is a draft on the general wealth, and government can not, considering the interests of the whole, part with it to any one without adequate security.

Therefore, abundant and cheap money could directly benefit only those who already have the means to secure it from private financiers.

The large mass of needy and propertyless might look on then, as now, without receiving a morsel of direct aid or comfort.

Nevertheless it is evident that all would be advantaged by cheap money on loan by the government, to an extent it is difficult to compute; some directly and some indirectly.

Money loaned out by government to everyone capable of furnishing adequate security at one per cent. would necessarily produce the following results: First, the aggregation of wealth by interest, which is the paramount feeder of accumulation, would cease; second, the large majority of the idle income class, who derive their revenue from interest, would be compelled to change a life of luxurious laziness for one of useful production; and third, the burden of the laboring, producing, middle-class population would be lifted at both ends; less of some commodities would needs be produced to satisfy the luxurious habits of non-productive consumers, and more persons would be added to the productive forces. But it is an open question, if interest having been reduced to a minimum profit, the present incentive to production, would not be forced to so low a point, that production would receive a disastrous check. Doubtless with the soil, raw material and machinery remaining untouched as to tenure, use and ownership, the number of unemployed would be vastly increased, necessitating modification in departments of industrial life, other than finance. Industrial life, being itself a complex system, the disorders which have grown with its growth can be removed only by complex remedies. Single instrumentalities will accomplish but fractional results.

An equal use of moneys would accomplish a vast work towards removal of current evils; an equal use of land, if enforced with discriminate wisdom, would become a strong factor in the general movement; freedom of the created, growing and increasing raw material for the application of human labor would exercise a paramount influence, and machinery and provisions, if alone withdrawn from production, or equitably distributed to its aid would show their indispensable importance among the productive factors: but he who claims that a radical modification of the operation of any one of these factors will remove the evils which have become engrafted on modern industrial life, has not carried his reasoning sufficiently deep.

It matters not, however, whether an important change in the management of national finances would or would not affect the needed reforms. The right of one citizen to the use of money on terms equally as favorable as those secured by others, cannot be disputed. It emanates from the spirit of the declaration of rights which asserts equal rights for all; it is recognized by the constitution through its demand for the establishment of justice, and in particulars and details, in nation and state laws, is scrupulously embodied.

The industrial rights of man, differentiated from his political, civil and religous rights have been presented thus far with some minuteness of detail and fullness of argument. It must not be assumed, however, that the presentation here made in support of the claim of every man to use the soil, raw material, provisions, machinery and money comprises the only reasons assignable for the claims made. History, nature and science afford other considerations, which if followed and applied in detail, would strongly buttress and sustain them. Men are parts of a complicated system of organized and animated life, and derive their industrial rights from the necessary relations which they sustain to the material universe about them; each man being entitled through them to his just portion of the material and social growth, perfected by creative and human power, for the purpose of maintaining those relations in their fullest vigor and amplest freedom.

But it must not be assumed that industrial rights are assertable without the performance or willingness to perform corresponding duties; all things are relative and conditional. Human effort, earnest, honestly directed effort on the part of each person, is the perpetual condition of just claim to the agencies and factors of production; but that condition being fulfilled, each man being ready and willing to apply his labor in supply of his own wants—not the wants of masters or employers, be it noted—his right to use of the soil, raw material, provisions, machinery and money, on such terms as the most favored have assumed or secured, is undoubted and inalienable.

With these instruments of industrial power, a man is fully equipped and armed for the warfare of competitive production; without them in the conflict for existence he is but a child, and must go helplessly down or fall to the rear, under the more effective and independent industry of those who have them. With them he is fully panoplied to maintain himself as an integer of an equitable individualism; without them he becomes the victim of a remorseless capitalism, whose exactions and exclusions are rapidly driving the world of pro duction to industrial socialism.

The right of persons to the soil, raw material and provisions is a natural right; to the facilities of production, tools, implements and machinery is a right, both natural and social; to money, a natural, social and civil right. The first is based especially on his individual manhood; the second on his existence as an integer of a social growth; the third on his citizenship; each and all on his relations with natural, social and civil growths, which have been inaugurated and carried forward to the present, unfinished, but promising status by wise and just human effort and creative power.

EQUALITY OF RIGHT—RENEWED DISCUSSION.

CHAPTER IV., SECTION V.

Equality of right has come up after a century for renewed consideration.

What men think, where the ballot is in universal use, is of momentous interest.

Shifting of doctrine to confuse thought of the masses on questions relating to their natural rights is of increasing importance to an artful oligarchy. Resort to physical coercion is inadmissible. To pervert thought and misdirect action is the open resort. It is no new artifice. To encourage, cement and vest oligarchic appropriations of common heritage to an interested few is an adequate end. Any argument to sustain acquirements is advanced with cool assurance. To such use of superior intelligence economic writers in both Europe and America have not hesitated to descend*.

So long as the doctrine of equality asserted in the declaration of American independence interposed no difficulty in the way of appropriators, so long as under its protecting aegis, the enterprising and adventurous could pass from the Atlantic to the Pacific, absorbing territory, bagging raw material and vesting points of vantage, so long the doctrine was left untouched; but when men became disturbed and alarmed at the rapid disappearance of industrial opportunities and pointed to the doctrine of equal rights, as furnishing ground for action against unequal appropriations, then it was discovered by teachers of political economy that the doctrine was false. Inferentially it was assumed that big men with big brains, big bellies, big enterprise and big greed were entitled to all they could get and all the law could hold for them; franchises, raw material and land; that concentration of the sources of wealth and the rapid formation of an industrial oligarchy, was in accordance with the natural law of unequal birth, unequal wants and unequal rights.

The force of the new doctrine, emanating from intelligent and influential sources, carrying an atom of truth, and handled for its full cash value, is already felt to a mischievous extent. It is better that it be thoroughly understood. The real truth lies between the extremes. No two persons are or can be exactly equal; either men-

*Prof. Sumner, Yale College, and others.

tally or physically, either as to quality or quantity, or as to activity, endurance or power.

It is asserted that nature never made any two things alike. But while absolute equality in person or thing is impossible, proportional equality among men is as fixed as the stars of the zodiac. That is, within narrow limits, above which personal capacity cannot rise, and below which it cannot fall, within this restricted range, the inequalities of men at birth and through subsequent growth are circumscribed.

The comparative equality of man as to capacity and power, as to wants, rights and duties, is recognized everywhere in a multitude of facts. Throughout the industrial world, compensation and wages are paid upon the recognized basis of equal powers. Thousands of men, each absolutely unequal in ability to every other, receive the same sum of money for the same number of hours dedicated to labor; and these same laborers, settling for a week's or month's subsistence, each pays the same as every other, though the consuming capacity of each differs from that of every other.

Most of the hotels and appliances for travel and transportation are managed under the same recognition. A little man with his little wife and family, at a hotel, for a suite of rooms with *table-de-hote*, bathing appliances, firing and light; on a steamer, for staterooms and meals; on a railway train for seats and sleeping berths, pays exactly the same sum that a big man with his big wife and family has previously, or will subsequently, pay under the same conditions, for the same accommodations, for the same number of days.

Even if the laborer, or the big or little man, proposing to pay according to capacity rather than to proportional equality, goes to the restaurant where justice is meted out with more particularity, he will be confronted with the same recognition of equality. He will find a large plate of beans for one person, measured on the same scale of bounty or parsimony as for another; the individual bean capacity of any number of persons being recognized as equal to the individual bean capacity of any other number of persons. And so, through the bill of fare. So in the street cars. A man weighing two hundred pounds is carried for the same price as another man weighing one hundred pounds.

At school, in church, at the theater, or wherever men assemble, a proportionally equal accommodation is provided for all. A small man occupies the same space and receives the same attention and entertainment as a large man, and pays as much for what he does not require, as the large man pays for what he does require. In clothing, the same recognition of equality maintains. A man with a thirty inch chest, pays as much for a suit of clothes of a given style and quality, as a man with a chest measure of forty inches. One may buy his own cloth and trimmings, but, the tailor, recognizing the

doctrine of equality will demand as much for making a suit for a small man as for a large man.

In the management of schools, seminaries and universities, the capacity of one scholar for the acquirement of knowledge is assured to be equal to the capacity of every other scholar. The same reality is observed in the handling of large armies and navies. Every able-bodied soldier on march carries arms accoutrement of equal weight and power with every other soldier, and in bivouac or camp, equal rations are served and equal services are required. Even those who in conducting industrial production, insist on the recognition of proportional equality instead of absolute equality, and pay by the price for work actually done, are careful that a small foot pays to them as much as a large foot for a given quality of boot. The injustice involved in practicalizing absolute equality is one thing, when their bull is gored, and another, when the neighbor's ox is the victim. Recognition of proportional or average equality is as nearly universal as possible. One cannot escape the practical results of its operations unless he attends in detail to his own wants, and supplies them entirely by his own labor. No people on the face of the earth, many of them drawing their first breath in the atmosphere and amidst the trappings and pageantry of royalty are so deeply impressed with and fully inclined to assent to, and assert the equal rights of every man as are the American people. Hence, however strongly the desire may be to overthrow the doctrine of equal rights in defense of growing inequality as to position, power and wealth, it will be impossible of accomplishment. Equality of persons within narrow limits of variation is substantially and permanently established.

FAILURE OF EQUAL RIGHTS—WHY AND HOW.

CHAPTER IV., SECTION VI.

The failure of the doctrine of equal rights to produce equality of condition or possessions cannot therefore be traced largely to inequality as to personal want, capacity or power. Other causes which have resulted in marked inequalities, everywhere notable—massed wealth on the one hand, galling poverty on the other—exist and must be assiduously and conscientiously sought.

The rights of persons descend of necessity to the material things about them; rights to use, or ownership, or both combined. The causes of marked inequalities referred to, are to be sought in an unequal distribution of the objects of these rights, in the failure of each person to secure use or ownership in the opportunities, franchises and facilities of industrial life; failure engendered by an erroneous and vicious system of appropriation and investiture.

The real source of the present system is priority of appropriation, and the real vice is permanent investiture. Priority embodies an equity, which has been made to cover a multitude of appropriative sins. To a first-comer first choice may well be accorded; but permanent investiture, precludes the operation of justice towards later comers. It involves neglect of many through over-provision for one.

If a man go into a new and unoccupied country with its natural values, the land or raw material ready for the application of labor, and its natural wealth ready for consumption, to place them in use, is both reasonable and just. Taking into consideration his wants, the relation a profusion of wealth around him holds to those wants, and the absence of another claimant, what else could he reasonably do? The natural wealth is applicable at once to supply of pressing wants, and the land and raw material, open to the application of labor, can be made to supply increased want. Futhermore, what principle of justice could be transgressed were he to spread himself with his family, flocks and herds, over an entire principality; and without, other than prehensive labor, appropriate the entire natural wealth brought into the existence by creative power?

But the nature of the case changes at once on the appearance of a human peer. He ceases then to be monarch of all he surveys, sole lord of the fowl, fish and brute. When alone, constituting the only living representative of the Creator, and the entire society then

existing, his personal will forms the unwritten law of the land. On the coming of his peer, another equal factor enters into the constitution of society—the enactment of law and enforcement of rights. He must make room for the next man. His previous appropriation, then defensible and just, at once ceases to be defensible or just. Priority of advent opens a pretext for conceding to him first choice of places and things. But, in deference to the equal rights of another, he must voluntarily limit himself or be involuntarily limited.

Or if, on first coming, instead of appropriating the entire country, impressed by the probability that others would come, and determining for himself the exact number who, in his judgment, could be accommodated, he had selected his portion of the common heritage and confined himself thereto, then, on the advent of others up to the full number for whom his judgment and care had provided, he could not in justice be disturbed as to the appropriation made by him. But when the country had been completely filled, according to the subdivision made by himself and subsequently accepted and legalized by society, on the appearance of another man from the invisible source of population, sent and assigned to this country by the Creator and Arbiter of men, things, planets and systems, justice and natural law necessitate a new adjustment of appropriation.

If investitures had been made "forever," if personal claims by himself and by society, through law, had been made permanent, then is precipitated the conflict between civil and divine law—civil law sustaining the alleged rights of previous appropriators; divine law sustaining the rights of the last and new-comer. Into this conflict enter the same equities and forces as that precipitated upon the first man by the advent of the second. At an advanced stage it is the same contention; priority of appropriation, permanence of investiture, appearing on one side, and necessity, natural and social rights and divine fiat on the other. While physical power is on the side of the primitive appropriators, spiritual power, which gives even physical power its existence and energy, is with the last-comer. Majority is apparently with the former, but real, permanent majority is with the one man in the right.

In actual life, conflicts between priority of appropriation and permanent investiture, have been brought to many cruel but practical crises. Never have the equities been fully conceded, nor have matters been brought to final trial. Population has increased and pressed upon appropriations and investitures. New-comers have been taken in and despoiled. Some have been made dependent, some slaves; and when the pressure has become too great, wars have originated between struggling interests. Famines have been engendered through the agency of appropriators, and pestilence has

assisted in depopulation. The Creator, in attempting to raise or resurrect humanity, organize lasting society and give it expansive mobilization, has been driven perpetually to attack priority of appropriation and permanence of investment. Dynasty after dynasty, civilization after civilization, originating in the upper atmosphere of inspiration, love and duty, have floundered, foundered, and disappeared in the mists and quagmires engendered through a vicious system of appropriation. If a child cannot grow to manhood and perfection with its back firmly glued to a rock, neither can society come to a perfect maturity plastered to permanent investiture. Earth-life is not a permenency, and permanent investiture violates its spirit. But the end is not yet. At the present moment, on the grandest scale of contention yet organized, new spiritual forces from the invisible army of the coming Victor are entering the industrial fields of the world, panoplied with the enginery of success. The outcome is not difficult to predict nor far to find. Priority of appropriation and permanent investment by individuals are destined to modification or extinction.

If it be admitted that tenure of ownership has been required, it was not necessary that it be prolonged beyond a lifetime into an unknown eternity. The same agency that provided for the first man, the father, will provide for the son. Nature has been as kindly—*more* kindly—to later than to former generations. The sons and daughters of the next generation will be better fed, clothed and housed than ourselves. Perpetual tenure is not necessary for the protection of posterity. On the contrary, it is the greatest danger which threatens their peace and prosperity and the happiness of their individual lives. Nor can distribution of the common heritage be safely left to the principle of heredity. It brings no just equalization of natural interests. One man, with an appropriation of territory, may have a dozen heirs; while another, with a like amount for transmission, may have but one. Distribution of the common heritage, through testament of father to child, places the entire matter in the domain of chance, and robs thousands of opportunity.

Some form of tenure—a tenure of use—easily adjusted to changing demands on the sources of wealth, should be made to prevent probable pressure of population, not upon subsistence, as it is alleged to have done, but upon permanent investiture. The American colonies were settled upon entire ignorance or disregard of the future. The result is that before one hundred years are fully gone, and before three-fourths of the available land of the continent is placed under ownership, the pressure of want incident to increased appropriations and decreasing opportunities is making itself felt in no uncertain tones. From the beginning, sales of land to be held forever have been made

by the Government irrespective of its right to sell, and regardless of the wants and rights of coming millions. Appropriation of land and raw material in Europe, buttressed by civil law and the entire power of society, have so pressed for generations upon increasing population, that the people of every nation have been virtually driven to America for subsistence; not because of insufficient land and raw material capable of affording abundance to all, but because of vast appropriations made and held in the interest of oligarchies.

In America a condition, not unlike that which in Europe preceded successive periods of exodus, has already come. At intervals increasing pressure of population on appropriation has urged masses from the Eastern to the Western States. Now there is no West. Appropriation has moved steadily from the Atlantic to the Pacific; and at each advance, at each successive sale of land and disposition of franchises and raw material, opportunities have decreased, until, at a very late period, revision of the United States land laws is seen to be imperative. The nature of the revision proposed, involving no change in the character of the tenure, is a makeshift, and tends merely to delay catastrophe.

Nor have these appropriations been determined with method or consideration other than the private fancy, shrewdness and selfishness of appropriators. Accessible points of vantage, adapted to the control of manufacture, commerce and finance, exist in all countries. Debouchure of mountain passes, heads of lakes and inland seas, banks of small and large rivers, and seacoast harbors have, in America, been seized upon and appropriated by the adventurous; points from whence they can give direction to currents of business, and where the present and future wealth of the nation can be levied on through exchange. These points of vantage give appropriators opportunities of accumulation impossible, at this late day, to be secured by others less favored by conditions, and less bolstered by the power of custom and wealth. For the mass of the population destined to crowd the valleys and plains of America natural opportunities are gone, and the attendant advantages are forever assured to the original appropriators, their heirs or assigns.

How, with population increasing by pressing against previous appropriation, can equality of right be maintained? It is a moral impossibility. It is mathematically and absolutely true, that, with each addition to the population, and each new appropriation, opportunity has, by the involved amount, decreased to all subsequent comers, and by that amount all subsequent comers are deprived assignment to their natural heritage. Thus, the boasted equality of right in republican America, by a slow, insidious and unobserved process—by the glacier of increasing population grinding upon the rocks of unyielding appropriation—is being gradually crushed out of

form. None but the flippant and inconsiderate will undertake to deny these affirmations. With a present population of 50,000,000, the points of vantage, as centers of manufacture, commerce and finance, and the better three-fourths of the land, franchises and raw material appropriated, when the last of the opportunities are absorbed, population may reach, let us suppose, 100,000,000. The territory of the United States is capable of supporting a population of 400,000,000. At present, with a population of 50,000,000, not more than one-fifth have access to the sources of wealth; the balance—40,000,000—overborne by social attachments, ignorant of the necessity of access to the soil and its concomitant advantages, accustomed, under habits ingrained with their natures, to centuries of oppressive and personal service, have thoughtlessly yielded to the attractions of the place and hour, and, too late, find themselves alienated from the land and raw material.

But what is the difference? Suppose they had acted wisely and fixed themselves upon the soil, as have the more prudent appropriators, and each acquired from Government opportunities in proportion to the past appropriations of their more astute fellow-citizens, on the scale adopted, less than 20,000,000 people could be assigned directly to the sources of wealth, in a country capable of supporting 400,000,000.

America is sparsely populated. Foreigners are due here from every part of the crowded portions of Europe, Asia, and from the invisible sources of population. From what source will the lands and raw material in apportionment of the natural rights of 380,000,000 be derived? But they should not be discouraged. They will have the right, each one to himself! They may be driven to give personal service to others, but, according to doctrines announced and supported by thoughtful men, in the absence of anything more substantial, they will have their labor to sell—if that is not displaced by the competition of machinery—and can sell what they choose and keep the balance!

An equitable condition of affairs, indeed! Three hundred and eighty million persons, possessing a right to themselves, and a natural and proportional interest in the common soil, to keep or sell themselves, body or soul, by installments, through labor, service, or prostitution, and twenty million persons, possessing not only an equal right to themselves, an equal right to sell their labor, but a legal and absolute right to hold or sell the entire land, franchise, raw material and wealth of the nation!

Here society has duties, and will be compelled, by the instinct of self-preservation, to make distinctions between the right of men to use and the right of men to ownership; or so modify the scope and hardship of ownership as to render it less subversive of the equal

rights of man. In fact, the people of America, and Europe as well, will be driven at no distant day to reconsider and revolutionize the entire principle of appropriation, and determine if tenure shall remain th at of ownership or become that of *use.*

If men could realize that the earth is an immense omnibus, making its annual rounds; that its inhabitants are but way passengers, getting on and taking seats left by others, without assignment, and riding divers periods and distances; getting off and yielding their places to others, without having acquired permanent rights in the equipage; if they could realize that the stars of heaven smile at them when they come aboard, and watch the futures of their earthly destiny, and the angels of heaven await and attend their alighting, a disposition would soon engender in universal humanity, that would facilitate the happy adjustment of earth-life and fill it with unbounded felicity.

As it has been said that from those to whom much has been given much will be required, it is possible rights may be recovered to the depoiled, through duties performed by the despoilers.

DUTIES—ORIGIN AND NATURE.

CHAPTER V., SECTION I.

The term *duty*, connected with economic science or industrial life, may be regarded as misplaced. It is introduced, however, as part of a whole, which, in the mixed and turbulent current of industrial affairs, and in dissertations concerning principles therein involved, has been absolutely neglected. In the arena of religion, morals and distributive charity, it has been a common theme for centuries. Though of paramount importance on these high levels of human life, properly understood, it is none the less important in art, nature, and he broad arena of industrial activity.*

In a general sense, it has a field of operation in the wide scope of nature, as well as where human life makes the world resound with effort. Perhaps no expression embodies the law of duty better than "from him to whom much has been given much will be required." If my cup is large and full, I must give to an extent correspondingly large and full. If nature has loaded me with power, intellectual or physical, duty calls me, first having nourished myself, to exert it proportionally for the benefit of others. But how moderately I should consider myself is evinced by what nature does throughout all its active circulations.

Through common instrumentalities the left side of my heart becomes filled with blood. Does the heart follow the promptings of economic greed, and retain for itself all the blood which comes to it? By no means; but it provides first for itself, as every man must first provide for himself. As in the line of duty, it closes down with power on the volume of nutrition gathered within it, two little arteries† open their mouths to first receive a portion of the red current and convey to every muscular fiber of the millions which constitute its structure and give it power, enough nutriment to preserve the heart in full life and vigor; then the current, in a broad volume, goes on to other parts and other organs. It keeps and accumulates

*The entire doctrine of rights and duties here presented is advanced in the interests of a true industrial individualism. If men desire the establishment of pure individualism, they must equitably individualize the natural sources of wealth and the social appliances of production, and maintain each person in his right to the use thereof.

† The coronary arteries.

nothing for future contingencies, knowing that nature always provides previously the power for every intended effort, and that each diastole will bring new blood, fresh and vigorous, for each succeeding systole. There is nothing greedy about the physical human heart, operating, as it does, freely and independently of the spiritual heart and greedy will.

As each animal heart is the center of a blood circulation, so is each human being also the center of an economic circulation. As the physical heart takes in and puts out, so the spiritual and physical human was constituted for similar processes. Every man is the heart of a living circulation. From intellectual and material surroundings incessant currents, conveying spirit and matter in assimilable conditions, are flowing to him, and streams, equally continuous, of broken and disintegrating matter and spirit should be flowing from him. He is an epitome of the universe, and all things concentrate to and in him; and the same entities, having deposited their benefits and nutriments, are, or should be, dispersed with equal freedom from him. Without this alternation of income and outgo, without organs and faculties adapted to its successful accomplishment, organized bodies, vegetable or animal, individual or social, cannot attain maturity, or maintain health and energy. The material world coming to me, two pounds daily, with its wealth of bone, muscle and brain, through digestion, assimilation and nutrition, must have rapid outgo through absorbents, secretions and excretions, or I become rapidly a physical monster; a burden to myself, a heavy draft upon, and a loathsome incubus to, those about me. Somewhat of what I take I must use and the balance give; what comes to me of matter and spirit must go away from me, and, by the coming and going, leave me a developed soul. He who only absorbs, draws around and into himself disease and death; who merely read and learn, become stuffed mummies of literature and science. To continue animated and active, men must also think and impart. Whatever the plane of life, outgo must follow income. Income is accumulative; outgo distributive. One process must succeed the other with safe dispatch. In the manifold realms of organized activity, distribution must trip the heels of accumulation.

But what, says the reader, has this to do with industrial duty? It points to the general truth that Nature, in her manifold modes of organized expression, has given us a universal and an unyielding law of life; a law of activity, power and perpetuity; a law which, while it involves ample care and consideration for self, puts forth an inexorable demand that the interests of others must also be abundantly subserved and promoted. It points the truth that nothing in organized life can continually take to itself and remain undamaged by over-sufficient supply; that the law of the lower and mediate nature,

where industrial activities operate with paramount vigor and importance, involves the principle that where much comes in much must go out; that this law, from the primordial cell, through a long succession of organizations, becoming more and more complex, expressed in rights and duties, transmuted from the spiritual to the material plane of life, inseparably attaches to every individual, species and genus; and that every man owes an imperative duty to nature and to society, which is payable, not only at the termination of his career, but from the first spark of his existence through all successive periods.

In the multitudinous circulations of organized and organizing life, that portion of the circle which brings to the central organ is the *arc of rights*, and that which carries from the central organ is the *arc of duties*. In the animal economy these arcs are of equal capacity and function. On the varied planes of personal and social organization, rights are the first half of the circle of activities; duties, the subsequent and second half. Man's rights are observable in what comes to him from the surrounding universe; and duties, when performed, are recognized in what goes from him to the surrounding world. What my rights bring to me, through effort, from myself, from society, from nature, my duties take from me to myself, to society, to nature. Thus the two principles and forces of the circulation, through a natural and simple law, are given ample and unobstructed scope for action.

On the plane of industry, whether industry be intellectual, physical or mixed, this principle should come into retroactive and retributive operation. Duty unperformed, whether it be the duty of person or society, whether it be to self or country, transforms rights into calamities. Observation of rights alone results in obstruction, stagnation and distress; while duty opens the channels and insures freedom, development and content. Duty neglected, causes pestilential backwater, impairs freedom and activity, and suspends that use which derives value and efficiency from rights. Rights secured in excess, concentrated, vested and exercised with force—duties being ignored—slowly but surely bring even rights to destruction. For ages men have claimed and contended for rights; duties have been avoided, resulting in an uninterrupted succession of failures. Accumulation and permanent investitures, getting and preserving rights alone, have constituted a dam to the broad currents of swelling civilizations.

Organized society—to which has been delegated the interest of mankind, ignorant and refractory, undeveloped and unrestrained, through a succession of civilizations—has never yet performed intelligent and conscientious duty towards its constituent individual, nor to itself; nor have individuals brought themselves to a performance of duties, either on their own behalf or in the interests of others. The

day of a true sense of industrial duty has as yet hardly dawned upon the civilized world; but the fresh breezes of love and humanity and the quivering rays of light and thought are breaking in upon hearts and intellects. There is hope, prospect, and ground of prophecy.

DUTIES FURTHER ANALYZED AND EXPLAINED.

CHAPTER V., SECTION II.

It is to be presumed the propositions here advanced will be accepted or rejected according to their bearing upon the private interests of those who may consider them. They will be entirely rejected by some, but partially and coldly accepted by others, and by many regarded as theoretical and chimerical to a degree too marked for practical consideration. But common thought—such thought as is daily engaged in the common struggle for daily subsistence, such mentality as is occupied in acquiring, absorbing and assenting to current doctrines and popular maxims concerning industrial matters—is not always to be relied upon. It is too hasty and superficial to reach at once, and too effeminate and indolent too penetrate later, by severe study, those fundamental principles which underlie and permeate the labor, the struggle, the pain of an overpowered humanity seeking to sustain equality of comfort in the midst of a plutocracy of plenty and luxury, Because certain important things have been done in the world in a certain way for a certain defined period of time, it is flippantly assumed, in a superficial way, that the same things must of necessity be always done in the same way. Too many men once royalists are always royalists; once democrats are always democrats; once republicans are always republicans; and the scope of individual life is usually so narrowed by the tendency to run in ruts, it is a wonder men do not sooner exhaust the sources of enjoyment and the fields of usefulness, and call suicide to their relief. It is usually against such waves of *mental indolence* that a new thought spends its force; and possibly the idea of "industrial duties" will meet the usual reception.

The opposition to an unusual proposition is, however, both useless and unwarranted by reason. The new and changeable is, of late, at least, the order of the times. Through the steady flow of events the tendency—and not only the tendency but the actual movement—has been characterized by elements of change and progress. The affairs of men—though at some periods the movement has been slow, even imperceptible—has never remained in a stationary condition. Continuously some improvements have been made and some advances marked; and it is folly—yes, crime!—to interpose against a thought whose realization might hasten the complete emancipation of man from industrial slavery.

But, besides the common tendency of thought to "run in a rut," among the crowded ranks of laborers embittered by toil, and too

often made desperate by hunger and privation, not only ignorance of the underlying causes of their own condition, but intellectual incapacity to comprehend the principles which underlie the causes, renders it a thankless, almost hopeless, task to enlighten their minds and arouse them to temperate and effective action and the patient waiting of an enduring faith and resolution. They strike instinctively, and too often impotently, at the first barrier which seems to obstruct their way to supply of want, little thinking that behind every barrier stands an active, upholding cause, and behind the cause lie the selfish purpose of those who, through supply of employment or traffic, are likely to appear in the minds of wage-laborers as the greatest benefactors of the latter, and the necessary support of their lives.

But in addition to the ignorance of laborers, and overtopping it in effectiveness, rises the thorough and unblushing self-interest of the small but intelligent minority who hold the industrial forces and materials in their selfish hands, and who with jealous and watchful eye stand ready, not only to discern at a distance whatever may menace their holdings, but ready to inaugurate ruthless and cruel warfare against whatever idea or action tends to loosen their tenure of superior advantages. They know intuitively that their own success or advancement is built up on the wreck, woe and misery of others; know that so soon as others come to their own through the practicalization of advanced thoughts, themselves must abandon the surplusage on which their sensual lives are fed, on which their equipages are supported, their palaces are built and their social distinction is sustained. Their selfish and ambitious impulses rise in imperious rebellion to the higher but fainter demands of human justice. Barriers so high and impenetrable—the tendency of thought to "run in a rut," stupidity of the many and greed of the few—standing in the way to acceptance of propositions advanced, it becomes necessary to make their truth so plain that rejection be impossible.

For the sake of convenience in presenting the thought concerning industrial duty in a clear and intelligible form, duties may be assumed to be attributable to three distinct and interested parties—first, the Creator; second, society; and third, the individual. Each owes duties to itself and both the others. The Creator owes duties to himself, to society, and to the individual—duties which have been early and promptly discharged. Society owes duties to itself, to the Creator and to the individual. The individual owes duties to the Creator and to society; society and the individual have made some progress, but for ages have left undone most that should have been done.

The theory of duty, as presented in the previous section, and sustained by universal life—it becomes necessary to inquire how, on the plane of industrial life, it can be practicalized; how it can be made

operative in revolutionizing, not only the motives and maxims, but the modes of the industrial world.

Its mission in the industrial arena, after use has been subserved, is to remand back to the common fund, for the use of others, any surplusages which, through ignorance or intelligent purpose, have been taken therefrom, either by the individual or by a class; and to return to others what their labor has created, and which has been habitually taken from them, directly or indirectly, through industrial processes.

That a common fund exists, a fund whence the entire human race should draw the fullness and flush of life, a fund created and produced for the ample use of every human being, according to his capacity for enjoyment and his power to do, no reasonable man will undertake to deny. Of what this common fund consists may be easily determined by an intelligent answer to a simple consideration. Let one but cast his eye over the universe, and tell by whom this, that and the other thing was created and brought into conditions of use and beauty adapted to satisfy the wants and gratify the desires of men, he will closely define and limit what constitutes the common heritage. He may not be able to tell to the satisfaction of every one, who made them, or by what agencies they were brought into e istence; but he can certainly determine in the world about him what was produced by human act, and what has been produced by other forces. If the creative or productive act has been performed by the invisible, the intelligent-beneficent Forces, by creative power, the product—be it land, raw material, or natural wealth in provision for the current wants of man—is a part of the common fund, a portion of the common heritage. If, on the other hand, the result has been achieved by human labor—whether isolated or conjoined—it belongs not to the common fund, but to the party or parties who have performed the labor that terminated in the result.

That every man, according to his capacity of enjoyment or power of use, of consumption and production, should be entitled to free use, during his entire earthly existence, of his proportion of the common fund, is inferentially asserted by the American declaration of rights, and sustained by the considerate judgment of mankind. It is equally true that whatever values a man has added to his portion of the common heritage he is justly entitled to, as the result of his own labor. They are his property, of which no one—not even society, nor government, nor any principle of priority—can justly deprive him.

If, therefore, any party to the complex mundane existence—whether it be organized society or the individual—acting individually or collectively, has taken from the common heritage more than his just proportion of the values produced by creative power, and holds them, by any tenure whatever, from the use of those entitled to them, an

inexorable duty rests upon him, either alone or in conjunction with others similarly circumstanced, to restore to the common fund all but his equitable portion thereof. If any party to the social and industrial organization—to the complex mundane existence—individual or collective, has taken or is habitually taking, from any man, or number or class of men, any portion of the results of their labor, and accumulating that portion, be it small or large, to other than the laborer, duty demands that he discontinue such exactions. If it be that he is held to unjust exactions by a general system of exactions, then his duty lies in the most vigorous effort, through education and spread of special intelligence bearing upon the current injustice, to eliminate from the said system its unjust and obnoxious elements; or, finding elimination impossible of accomplishment, it then becomes his duty to strive, peaceably and through appeals to reason and the better elements of human nature, to modify and transform the said system. All this is to be observed and performed to the end that every man—be he bright or stupid, be he strong or weak, be he overflowing with vivacity and energy or depressed by laggard languor—shall remain in possession, actual or potential, of equal opportunities for the supply of his own wants, through drafts upon the common heritage and application of his own labor thereto; to the end that industrial justice may become operative throughout the productive world.

Substantially, it will be noted, there are two independent but allied divisions to this demonstration, and they rest on the individuality and distinctive effort of the beneficent-intelligent Forces on one hand, and the individuality and distinctiveness of human existence and human effort on the other. It is true, though not taught by current economic science, that men derive the objects upon which they subsist from two distinct, though allied, forces; viz., from nature and from art. The commodities and the various forms of wealth which gratify human desire, give effectiveness to human effort and assist human development, are derived primarily from the reservoirs of nature where they have been produced by creative act and creative labor; and, secondarily, from the depositories of art, where they have been finished and adapted to use by human labor.

What men derive from nature is a free gift to them by the beneficent Force which brought both into being; what men derive from art is the result of their own labor which was designed and made adequate, each man for the supply of his own wants. If men are cut off, through accidental or volitional causes, from these sources of supply, partially or wholly, to the extent and degree of their exclusion, their lives, comforts and developments are placed in jeopardy. Whatever the causes, or whoever the instruments of exclusion, those

causes or those instruments, be they several or individual, are wholly responsible for the failure of men to receive their full and ample dues. If any parties, individual or social, stand in the way or voluntarily obstruct the current of dues whose natural tendencies and forces carry it into and through each and every human being, and are responsible for the deprivating obstruction, the least they can do to relieve the distress which their acts, individual or collective, have caused, is to remove the obstruction for which their acts are responsible, and permit the current of dues, in accordance with the natural laws of circulation, to pass unobstructedly to the proper and equitable recipients thereof.

Does this proposition need further demonstration? Not to any rational mind.

But it may be inquired, What evidence exists that wrongful obstructions to passage of the world's wealth, or sources of wealth, have been placed by individuals or by society in the current of an equitable movement towards the millions who have natural rights thereon? The answer is, the facts as they exist to-day in every civilized nation. It matters not by what customs, usages, laws or constitutions, the sources of the world's wealth, or the wealth itself, is held both in old and new societies by a comparatively few of the existing population. Whatever those processes, customs, laws and constitutions have been or now are, they are grimed and befouled with the varied forms of injustice, which have attached to the marches and counter-marches of humanity in its movement to the present status. The land of England is owned by one-thirteenth of its population; the land of France by one-tenth of its inhabitants; and the settled portions of America by not to exceed one-sixth of the people within its borders. A young city of three hundred thousand inhabitants pays land rent to less than six thousand land owners, and older cities of America afford graver instances of the unequal distribution of the natural values prepared by the creative hand for the use of a total humanity.

The morning's paper reports that the decorations of the four proscenium boxes of a well-known New York Opera House are placed there by those whose wealth is estimated at $790,500,000; it reports also, that a few packing firms in Chicago are dictating not only the wages, but the right of association, to 25,000 free American citizens.

Everywhere facts like these stare the investigator in the face, proving conclusively that obstruction to the free and equitable play of justice, obstruction to the current of values, which, received, would

tend to maintain some modicum of equality among the inhabitants of the Christian world, is everywhere the rule and everywhere sustained by business processes, laws and constitutions.

RELATIONS OF CHARITY TO DUTIES.

CHAPTER V., SECTION III.

But the demonstration as to what constitutes the industrial duties of those who control the world's industries can not end here. It must be carried through other and particular lines of thought. And, first, let us clear away some of the underbrush of error which has grown insidiously and imperceptibly, but which everywhere, thicket-like, intercepts the common view into and upon industrial affairs.

Economic science has taught, and yet teaches, that every commodity of value has been produced alone by human labor. This proposition is absolutely untrue. Creative labor, the work of the intelligent-beneficent Forces, has produced a vast majority of the values which daily and yearly appear in the form of commodities at the various points of exchange throughout the world. Human labor has been merely superadded, in application of superadded values, bringing some commodities made by nature and left in the rough to a fuller finish of adaptation to the supply of want. Both these values so produced are indispensable; but neither is exclusive of the other.

Again, economic science would teach every man that upon his own productive efforts alone his prosperity must and does depend; and inferentially that what he has accumulated through business processes, under the sanction of law, he has produced. This is again false; for the man who secures the immense percentage of the natural values, secures an advantage over and above the man who does not secure them, positively immeasurable.

From these two false propositions, and their corollaries, has arisen the common conception, inextricably interwoven with the ideas and theories of personal and property rights, that production and accumulation are one and the same process, and it is usually assumed that what a man has accumulated he has produced. In extreme instances, where one man has possessed himself of the soil of an entire county or state, or the timber of miles of forest, or the coal fields of an entire district, the truth that what a man has accumulated he has not necessarily produced becomes apparent. Hence, *accumulative processes*, aside from their necessary connection with real production, receives the almost universal sanction of mankind. The values produced by nature are taken without regard to the right of others to them, and stored away with the belongings which have rightly been produced by and accumulated from the results of labor put forth by the same parties.

If I, by my care and labor, produce a barrel of apples, and you

through the various movements of exchange, the exactions common to business operations, come into possession of the apples without productive labor, I am a producer and you are an accumlator. I may receive in other products, or money which brings me other products, values which equal those with which I part; but, if behind you a line of exchanges exists, which nets you profit above the labor actually expended, or, if you are exacting rent on land or interest on money, and buy my apples from me, with values so gained, you are to that extent at least, an accumulator and not a producer.* Briefly your income to the extent designated is the result of drafts upon the common fund, through the exactions of profit, rent and interest. It matters not that customs, usages, laws and constitutions permit you to take through these means, that for which you have given no equivalent in labor; that which has gone to you directly or indirectly by unwarranted drafts on the common fund, on values produced by other men's labor. The case is clear, that a wide distinction exists between your mode of getting what you have, and my mode of securing the fruit I have produced. I am a producer and to the extent of my production an equitable accumulator; you are a pure accumulator, and to the extent of your accumulation through profit, rent and interest, unjustly so.

Let us then station ourselves on the platform that accumulations may be just or unjust: that the accumulations of the productive laborer are just and equitable to the extent of the values which his labor has produced, and the accumulations of the pure accumulator, irrespective of labor applied by himself in production, are unjust and inequitable. It does not impair the truth of these observations that society as a whole, or in small minority even, does not see the truth as stated. Individuals generally embody faults which themselves do not at once recognize; and society, being but a collective individual, with intelligence, affections, impulses and prejudices like the single individual, recognizes its own faults with reluctance, and repudiates imputations against its perfect constitution with indignation.

If the business world could be brought to the wise conclusion, that that alone which a man actually produces by his own labor, added to his portion of the common stock, fund or heritage, justly belongs to him, duty in the premises would be made clear; but so long as ideas of production and accumulation remain in the public mind entirely undiscriminated, so long as men feel that what they can get and what they can compel society through law to hold for them, belongs justly to them, a distinct conception of industrial duties will be difficult, nearly impossible, of attainment. And it may be that the full conception will not crystallize until they are compelled by the swelling forces of civilization, by the gathering intelligence of the

*See chapters on Land, on Capital, on Wealth.

impoverished masses, to recognize the truth that large fortunes are the result of an insidious form of despoilment; until the reality has dawned on their minds that they disport themselves in wealth, comfort and luxury over a slumbering volcano of prostituted, vitiated and outraged humanity. It is undoubted that the accumulative, rather than the productive, is the leading idea of those who conduct industrial operations.

Men labor to secure profit and aggregation rather than use and distribution. Production is made contingent to accumulation, whereas accumulation should be recognized as the contingent; the spirit of business is the spirit of aggressiveness, exaction and despoilment; and if one man has not encroached on the industrial rights of others, it is because the contending forces have defeated him and given victory to others. Nor is this fault solely an individual fault; it is a social fault; one which permeates society through and through, and operates actively and reactively from one to many and from many to one; a fault which can be eradicated only by educating the thought and arousing the action of community to and against its essential vice.

The common thought regarding the habit of "saving," needs reconsideration. Saving has been put forth by learned and illustrious men as a panacea for the economic evils of the times. Political science is full of the idea. It is the stalking horse of capitalism. It has been crammed down the mental throats of the civilized world until they are blind from its choking. It has been taught from the cradle to the grave; to the slave and his master, to the starveling and the glutton; to the shivering, hungry and impoverished, and the warm, finely fed and magnificently housed; in the family and in the pulpit, in the workshop and counting house, in schools and universities, on the platform and in lofty halls of dignified legislation. It has become the Allah of the industrial dervish, and the slogan of scientific champions of the competitive system.

Must we, therefore, bow the knee to this industrial Baal; this false god; this delusion and snare; bandied about by the hosts of capitalism, to hide away and cover the real sources of industrial prosperity and the real causes of widespread poverty, misery and degradation; this buttress of a civilization which is fast becoming detestable in the eyes of man and God?

No; but let us give it a fair hearing and a just judgment. It embraces a real element of beneficence to mankind on one hand, but involves evils of the most monstrous proportions on the other.

Saving, as a pure act of substantial economy, as distinguished from waste, is a virtue to be cultivated and emulated by all reasonable men. An unnecessary expenditure of power and material is useless,

and therefore senseless. Nature in her vast domains of productive operation, accomplishes its results with the least possible waste of power and material, and men may well accept and adopt the lesson so taught. But nature always demands and takes enough. There is no scantiness or want in its provisions. Vines and trees, fish, birds and animals are amply provided with their requisite food and environments. Even Solomon in his glory was not arrayed as are the lilies. Bounty everywhere, abundance is closely allied with economy; but with economy no lack, niggardliness or beggary. There is enough and to spare, but nothing is duplicated, wasted or thrown away. A vegetable capillary, designed to carry an ounce of fluid, is not allowed to load itself with two or a dozen ounces, nor need it lack a drop short of the ounce. Nature's operations follow the laws of use, while human art is subsidized and overloaded by the hungry demand of useless and vicious greed; greed, which is but saving, carried to a pernicious extreme.

While the term "saving," if operative within sensible limits, is worthy of adoption in the economic vocabulary, the abuses to which it is put, the evils which it subserves and the industrial crimes which it covers, merit unflinching condemnation. If men of moderate means, self-employers, are burdened by the demands of a reasonable condition of life, they are told that saving will bridge over the losses, and bring comfort and prosperity. If the lowly and poverty-stricken, the world's wage-workers, are driven to extremities of hunger and cold, and peltings of pitiless storms, they are reminded of this panacea of all human ills; told that the fault is all their own; that if they had saved as they should have done, they would have been in comfortable and prosperous conditions, and are commended to apply the remedy for the future. All classes of men who are suffering from the results of poverty are treated by the same black-bottle prescription; treated by those, who, holding the sources of wealth in their hands, *know*, or should know, that the means of comfort, prosperity and manhood development can be derived alone through access to the common heritage. If "saving" had the saving efficacy which is ascribed to it, if wealth and prosperity could be secured through it, every man's fortune would be in his own hand; for the act of saving is a passive or negative act, and requires for its enforcement but the slightest exertion. Indeed, it requires no exertion except that of the will; will exerted in suppressing the rising appetite for food, the desire for warmth, shelter and the concomitants of civilized life. It involves self-sacrifice only—the slaying of self—which partial, if not complete, elimination of life, it is alleged, is an ennobling employment, tending to develop men to their most expansive growths.

Let us pause and consider, at this point, the correspondent element of self-sacrifice: its vaunted merits, and demerits.

Eulogies upon the uses of self-sacrifice come principally from the teachers of morals and religion; they are worthy of consideration. The doctrine of self-sacrifice, as widely taught, corresponds in the region of morals and religion to the doctrine of saving, emanating from the industrial arena, and taught by economic science.

As saving has its commendable phases, so also has self-sacrifice; but the term has been abused. It has been employed to shrink and impair the efficiency of some of the best elements of human nature. The individual will, prompted by exterior influences of a mischievous nature, by the selfish demands of hierarchies, priesthoods, aristocracies, has been driven, under fear of heavy penalties, to whip its component impulses and affections, as a master whips his hounds, into silent and compulsory abnegation. The self that should have been expanded and quickened, should have gone out through abundant nourishment to a rich development, to enlarge and sweeten the lives of a common humanity, has been shriveled and atrophied.

The true self cannot be sacrificed without stunting and destroying character; without aborting its complete and rounded development. It would transform the world into a useless cloister; nunneries and monasteries would aptly image societies built on the cold and shriveling principle of self-abnegation. I want no hamper put upon my faculties; I want no check placed upon their useful development to the fullest capacity, intensest power and highest use.

But there is a line where self sacrifice—the term is misleading—is advisable. It is where what I employ is employed irrespective of a use to be subserved to myself or to others; in gratifying myself with my own sensations. No useful action, but is followed by a gratification; a gratification which may well be enjoyed. But the end of action should be use, and not gratification. When the purpose of action or life in its multifarious forms passes from the domain of use to the domain of sensual gratification—it can pass into no other domain—then self-sacrifice, sacrifice of results and not of ends, of enjoyments disconnected with uses, is demanded. If I eat, I must eat for the use of it,—eat to live and not live to eat—and not for its pleasure. When I commence to live for pleasure—I cannot avoid a fair share of pleasure if I live for use—then and there I need to suppress myself; but up to the point where the end of use changes to the end of pleasure, I need no sacrifice. If use having been subserved, I stimulate or titillate for pleasure irrespective of the use, I commence to harm myself.

The purely sensual elements of personal life do not constitute the life; they mark the point when and where life through the incipiency of abnormal action, of disease, begins to wane. That undercurrent of

heredity, on which rests all chronic diseases incident to civilized life, is the result of pure sensualism. On this arena, self-sacrifice, if the term is appropriate, should have a free and favorable action. But even here, it is merely a preventer of evil, not a promoter of good. When aptly introduced, it prevents the abuse of self in all those faculties which are capable of subserving use and being prostituted to sensuality.

With this limitation of the domain of use on one side, and the real domain of sensuality on the other, it is clear that self-sacrifice, or abstention has a narrow scope of negative action. It is further clear that manhood and womanhood development cannot be reached by abstention. To promote development, spiritual or material, nutriment, ample, rich and adapted, must be accessible. There should be no stint or deprivation. It is only through the use, not abuse, of abundance and variety, that the possibilities are open to individual and national development.

Self control with abundance at hand, is one matter, and self-sacrifice with parsimony and scanty supply, another. The one advances development to its fullest and richest possibilities, the other shrivels it to its meanest and most sterile proportions. Self control is to self-sacrifice or abstinence, in morals and religion, what use is to saving and niggardliness in operative, practical economics.

The broad, unqualified injunction to save and be wealthy, is an injunction to keep what one possesses. It is an insidious but far-seeing and masterly support to vested rights. Through it the capitalist and landlord say to the laborer, "Keep what you have; be content with your possessions; make the most of yours, and we will do the same with ours; it is true, but it matters not, that you have but little of the common heritage; but you have your ability to labor; save, scrimp, shrivel and sacrifice your lives on the wages we concede to you, and you will be wealthy, wise, strong and happy; thus harmony will prevail and serenity encompass the land." Such advice embodies the most shameless selfishness of the age; shameless, because it appeals to false teaching and persistent deception to sustain cruel, and conscienceless exactions upon those defrauded of their interests in the common heritage, and plundered of the increase effected by their labor.

With this unjustifiable doctrine of self-sacrifice as a means of human development, as taught by moralists and theologians, and the corresponding doctrine of economic writers, that wealth is attained by the equally negative act of saving, there is a suspicion of collusion between the parties, to deceive the productive masses regarding the real sources of development and the real sources of wealth and power. As the teachers of morals and religion open the avenues of development, through abstinence and self-sacrifice, through a letting-

alone process, the teachers of economic science and supporters of current capitalism, assert that wealth is to be attained by saving and hoarding. While neither of these propositions are true, except as specified, they dove-tail one to the other with extraordinary harmony, and are justly chargeable with disseminating economic thought which promotes the industrial interests not of humanity as a whole but of a small class. Suspicion of collusion is strengthened by extraordinary inconsistency of the reasoning and advice put forth by moralists and theologians. They play into the hands of capitalism and its despoiling tendencies by support of the doctrine of saving. At the same time they are assured that through saving alone, wealth is to be accumulated, and the possession of wealth conduces by no means according to their own position to that self-sacrifice, which they allege is the source and means of true human development. They inculcate as follows: They advise self-sacrifice and abstinence as a means of human ennoblement, assert that the less wealth men have, the better, purer and fuller their development, knowing that capitalism teaches that, that same self-sacrifice, saving, abstinence from use, is the source and means of large accumulations of wealth. Now, why should moralists and theologic doctrinarians, seeking to secure through self-sacrifice the fullest life and most perfect development, advise a course of economy, which will result in the accumulation of wealth, which wealth when secured, according to their theory, tends to prevent and obstruct the fairest forms and richest phases of human development? Why, if their reasoning is not somewhere erroneous or their motives impeachable?

The substantial truth, that which should be known to the entire world, is that neither saving in its relation to the accumulations of wealth, nor self-sacrifice, nor abstinence in its relation to the development of human character, result as is alleged by economic writers on the one hand, and teachers of morals and religion on the other. Statistics, sustained by common observation, show that those classes of men who are driven to self-sacrifice, to abstinence—and the more extreme the abstinence the more prominently the fact appears—develop characters of the most embruted nature; and as these very same classes arise from the necessities of self-sacrifice and abstinence, and obtain the means of education and refinement, their character undergoes a corresponding development and elevation.

Statistics, sustained by common observation, show, also, that those who attain wealth, attain it principally by acquiring, through peacable or warlike means, through priority or conquest, access to and established ownership of the sources of wealth; that they attain it not by saving, but by producing through their own effort and through the pinched and scantily paid labor of their fellows; that of those who

become wealthy, the smallest possible proportion become so through saving.

Nothing can show the absurdity of this economic proposition more conclusively than a few facts.

During the past fifty years Commodore Vanderbilt and his son acquired wealth to an amount rated at $200,000,000; that is, during that period, these men saved $4,000,000 per annum. If they gained $4,000,000 per annum through saving, which is a passive, abstemious operation, how soon would the country from the Atlantic to the Pacific, from Maine to Texas, be crowded with armies of savers, many of whom would risk the hardships of actual hunger and exposure to the verge of starvation or death; whereas it is well known that the Vanderbilts were living like princes during this fifty years of their abstentive accumulation, and the army of savers does not exist.

It is a little over one hundred years since John Jacob Astor commenced trading in furs at Astoria, Oregon, and in New York. To-day the wealth of his successors, after supporting in princely style several families for a large part of a century, is estimated at $100,000,000. Now every one can know that neither John Jacob Astor, nor his successors, at any time, went but scantily fed, meagrely dressed, or plainly sheltered; that in the ordinary sense of saving, which has been thoroughly realized by millions who have accumulated nothing, they have never saved, and know little, or nothing, of what it means to sacrifice the real self; and yet accumulations have come to them one hundred million strong, or $1.000,000 per annum. If one should save $25,000 per annum, it would require 4,000 years to save the fortune which the late Vanderbilt left to his heirs. At $10,000 per year it would require 20,000 years; at $5,000 per annum it would require 40,000 years to accumulate so large a fortune.

How many men are in possession of sufficient income to permit a saving of $5,000 or $10,000, much less $25,000 per annum; and yet this proof of saving is held out soberly or sincerely by economic writers as the open road to ready wealth and prosperity!

A few of another and opposing class of facts will point out and demonstrate more clearly the uselessness of "saving" as a panancea for the ills of progress, connected closely as it is everywhere with increased and increasing poverty among those born too late, arrived too late, or developed too late. In the State of Georgia, recently, men having families to support, have been paid for their labor the munificent sum of 80 cents per day. In a country where food, clothing and the common *et ceteras* of life are above the average price, livelihood upon these wages is barely possible. Twelve of these men struck for higher wages because it was impossible to support themselves in decency or comfort thereby. Employers combined

and threatened if these twelve men did not return to work at 80 cents per day, the mills would be closed, and 6000 others would be debarred that labor—employment through which alone they were able to eke out a miserable existence. The men exercising the limited rights of American freedmen, refused to return at the wages offered. The threat was executed, and 6000 men and women were turned away from their daily bread. After four months of struggle and hardships they were driven to return to work at the offered wages.

Will any man show how these employees, at 80 cents per day, are to be benefited by this wonderful economic panacea of saving? How is comfort and competence, discarding all thought of wealth, to be secured through saving the residue which remains, after such a livelihood as will sustain the laborers in a working condition? To make saving even a possibility, men must have surplusages. Whence are the surplusages to be derived with incomes so inconsiderable and scanty? If men live at all well, the commodities to be secured by less than $5 per week in support of self and family, will little more than hold soul and body together.

While persons so circumstanced are driven to economize in all possible modes to make "both ends meet," to commend such men to save, with a reasonable view of securing the comforts and blessings of modern civilized life, of reaching the status of competency, is little less than affrontive mockery.

But how much worse conditioned are these Georgia operatives than the vast mass of wage, salary and free workers of the world? In America, by the census of 1880, the average income of those who were dependent for advancement and affluence on wages, salaries and fees was about $340 per annum. This estimate includes those occupied by the learned professions and those engaged in personal service; of whom, thousands of the former are in receipt of salaries and incomes varying from $1000 to $25,000 per annum. If these were eliminated from the whole number dependent on fixed incomes, the average income of the laborors of America would not exceed $300 per annum. While under exceptional circumstances a few single men may be and have been capable of laying aside in a few years a small stock of money with which further advances towards self employment may be made, in the vast majority of cases, through inadvertance, incidents and accidents, sickness and misfortunes, and unexpected responsibilities, the entire sum of $300 is not only fully consumed, but large numbers are unable to meet the most common obligations.

But how does saving effect those already rich, and through them the entire community? Having surplusages, which under interest are continually increasing in volume, they are all able to save and to increase their savings from year to year. With them, saving makes accumulations: thousand upon thousand, million upon mil-

lion ; obstructing more and more the equable circulation of those values which in uniform and unhindered flow, give life and vigor, not only to organized society as a whole, but satisfactory existence to each individual unit thereof.

Saving with those who have already accumulated, but aggravates the difficulties which have begun to settle down upon this present civilization. It increases those already cumulative obstructions, which of all things, by a wholesale dispersion, need most to be decreased. The rich need the rather to expend than save ; not to expend in order that more and greater wealth may come back to them ; not to invest for renewed and increased profits, but that it may not come back to them in any quantity whatever ; that it may go out through an uninterested process of industrial duty to those from whom, through the assertion of industrial right in excess, it has previously been taken.

Let the rich sell what they have ; see that the poor receive what they have lost through despoilments, touching natural values in land and raw material and through the monstrous exactions of modern industrial life. Let the poor use without waste ; economize. The industrial machinery of the nation altered and so operated, will gradually restore confidence in the beneficence of civil and political freedom, and every man may congratulate himself and thank God that he lives in a day of true progress and enjoys the beneficence of industrial institutions, as well as religious, political and civil, both humane and wise.

Saving entered upon as a virtue often becomes a vice, and following the channels of subjective development, terminates in senseless and miserly niggardliness with the person, and wealth "piled Alps on Alps" in the graneries and counting houses of those who never use, but employ it only for further increase or gratification of the most base sensuality. Saving is but one-half of the circle of life. It embodies alone the get, the hold, the accumulative element of industrial life,—a principle which, operated alone, has worked the destruction of previous civilizations, and constitutes the most dangerous element incorporated within that which is now undergoing a crucial ordeal.

Another of these underbrush saplings calculated to interrupt a clear view of industrial duties as connected with economic life, is the common utterance, "Laissez faire."

Nothing is more deceptive or delusive than the idea embodied in this phrase. It arises in part from the apparent impotence of the individual in effecting social changes ; in part from the natural indolence which inheres in all persons, and in part from selfish motives of those interested in the present status. It is one of the conserva-

tive slogans of those who hold the earth and its wealth in their power, and who are determined to retain it.

It emanates from the same subjective source as did that famous reply of the seceding States to the demands of the Union, "We want to be let alone." They held a few million blacks in hopeless slavery, and wanted to be let alone in their favorite phase of oppression. To-day, in every civilized nation a small minority hold a large majority in a form of slavery, so commingled with the simplest forms of freedom and so buttressed by the deceitful phases of equity that it has escaped notice of current intelligence; and this minority in response to the restless activity and world-wide demands for reform, cry out, "Laissez faire, laissez faire."

While it becomes every person to consider with modesty his power either upon his own country, or upon the erratic and perverted modes of national and social development, he is not warranted in with-holding his power—whatever it may be—from increasing the momentum of progress in its many-phased movements. No man exists whose influence for or against the betterment of human conditions cannot be weighed. Even though possessed of a lofty faith, which rests hopefully upon a superior wisdom and power to direct the movements of nations and the evolutions of humanity, no man is to be excused from participating, so far as he is capable, in the magnificent movements of his own times, and among his own countrymen. A good citizen can do no less than thoroughly inform himself of the designs of the Master Workman and the avenues through which humanity is moving to final perfection and triumph, and so adapt himself to the marching and countermarching, that his influence may parallel and support, not resist, the general advance. It is to the individual interest to move with, rather than against the currents of Omnipotent blessing and power. No rational man can afford to resist the stately steppings of human evolution, or to oppose the far-reaching and imposing changes in progress, for the betterment of human conditions. No man who cares the least particle for the interest of his fellows can afford to settle down under the obstructive banners of "laissez faire."

A better conception of the scope and value of the terms production, accumulation, saving, self-sacrifice, and *laissez faire*, and their relation to thought, old and new, opens to clearer conception and easier acceptance the doctrine of industrial duties and its just relation to industrial rights. Let us now proceed.

The common conception of duty scarcely touches the practical details of industrial life. Business is said to be business; and if one fulfills his contracts and discharges debts which accrue in the changes and interchanges of industry, he is likely to infer that nothing further is due from him to the balance of mankind; nor, is there, if we

accept the present status with its systemic movements, as a social and national finality.

And yet, when even the exact and unalterable man of business, turns his attention to the personal and social distress incident to the past existence of civilized communities, a still small voice rises from the depth of his nature, and enters an imperative demand for action; such action as will convey values, which he has accumulated through industrial principles, from himself, to feed, clothe, and give shelter to those who need and have not. This demand comes to him intuitively, with a power which he is unable to resist. He recognizes in it a necessity for action; a duty differing from his ordinary business obligations in the fact that the former, unlike the latter, is, to all appearances, at least, devoid of the nature of a contract, specifying as the latter specifies names and amounts; but nevertheless a duty which must be regarded with such output of his wealth as his personal generosity and judgment may dictate. This duty has to his mind a certain indefinite connection with the production and distribution of wealth—a connection which he has not traced, and does not care to trace with particularity of detail. He does not know and does not care to know that the cause of the need and distress which he thinks himself obliged to assist in relieving, can be traced by covered pathways, through industrial processes to his own door and to the door of others actively pushing the movements of the industrial world.

This duty which is performed with more alacrity as it is stimulated by sentiment and sympathy, is to be regarded as the industrial *duty of charity*. It is none the less a duty because it is not enforced by implied or expressed contract between the recipient and the giver. But *there is* an implied *contract*; a contract which has been expressed in all ages and all climes with as much clearness as circumstances have permitted; a contract between the creative forces and the created entities, that the latter shall have, through reasonable labor ample supply of want. The operation of that contract between creator and creature has been obstructed through industrial processes whose end is superabundant, royal supply to the few, and whose result is scarcity, need and impoverishment of the masses.

Whether the givers of alms are intellectually cognizant of a responsibility for industrial obstructions, is questionable; but that they are responsible, not individually alone but collectively, is intellectually demonstrable; not with the precision which attends mathematical demonstrations nor with the particularity with which the responsibility of a particular crime is fixed by process of law on a particular criminal; but with a clearness which cannot be reasonably resisted.

The duty of charity, connected like production with supply of want, which is to be recognized as a duty on the part of the wealthy, rests then on the proposition that the leaders of industry, through an

industrial system which has been fixed by them and by the concurrence of others upon organized society, are responsible for the destitution which renders the work of charity necessary. In other words, they should give because they have taken. They have interposed, it may be ignorantly, to prevent the execution of an implied contract existing in the very nature of things between creature and creator: a contract which has been fully executed to all other creatures, but to man has been cut off by "man's inhumanity to man."

What animal or class of animals has ever been compelled systematically to pay tribute to other animals of the same species for the right to move about or domesticate on the earth? It has been left to the "intelligent selfishness" of man to organize a species of obstruction against the life and happiness of other men, the cruelty of which outanimalizes the cruelties of the cruelest and meanest of animals.

What are the terms of this implied contract between creative forces and created entities, the execution of which has been thwarted by organized society under the dominion of privileged classes? They are that every individual shall have free foot-hold on the globe; shall have a proportionately equal share of the natural wealth, and raw material, susceptible of being transformed by labor into artificial wealth; shall have access to and use of those natural provisions made for all men to support their lives in comfort and power, and shall have the absolute and only right, each man to the results of his own labor.

These are the provisions of the contract, entered into with the human race by the creative forces, and which have been, and are now being interrupted, through their natural avenues of execution; their violation, resulting in the mountains of wealth in a few places, squalid poverty, touching the down-trodden of all nations, and the middle productive masses, heavily laden with the burden of support.

Let us consider some specifications, and enter with more detail into the industrial processes through which these results flow.

No man demands and receives rent who does not hold more land than he uses; no man demands and receives interest who does not possess more wealth than he uses; no man demands and receives profit who does not receive values to a larger amount than he gives.

And yet rent, which is unjust compensation for the use of land, interest which is unjust compensation for the use of wealth—or what is commutable, money—and profit, which is unjust compensation on acts of exchange, are the approved instrumentalities, whereby wealth is accumulated in the hands of industrial leaders, and slips from the hands of the followers, leaving the latter despoiled and lean. Few care or dare to question the justice of these current processes of despoilment, or trace the modes through which they operate in bringing wealth to accumulators, and depleting the exchecquers of producers. But it becomes our duty to lay open these common processes of

industrial life, and expose them in their true nature to all concerned.

Let us turn the light upon the facts of a single case, and show how, irrespective of his own qualities of thrift, a given person may become the object of charitable work. We will exclude from consideration those natural calamities which may befall any man, through sickness, accident and circumstances unforseen; those spiritual and physical elements of personal weakness, which through finite limitations, are deemed unavoidable. It matters little if the person be selected from the ranks of skilled or unskilled labor—from the trades or the learned professions, for all are under the too often unrecognized pressure and crowding of the competitive struggle for the prizes of life—prizes attainable principally, not through productive labor, but through rent, interest and profit.

Let our illustration be personified in a *carpenter;* and suppose him to be a man of average faculty, of probity, temperance and industry. He has a small family looking to him for support, education and culture. Let him enter an established or new and growing condition of organized society.

He arrives in a city where demand for his labor is continuous and wages average, but where the land has been owned for an indefinite period; where its accessible portions are already occupied by buildings or held at high prices on speculation, and where manufacture is in a condition of growing thrift, or full and successful operation; and commerce and finance are playing through established channels.

The imperative wants of this man center about propositions for shelter, raiment and food. Questions concerning education, social and religious wants, fall in subsequently.

For shelter he must occupy a house; it must stand upon land which some other man owns, but for himself does not use; and for which either the present owner or some other predecessor paid nothing—nothing, from the simple, if no other, fact, that being prior, no one existed to whom payment could be made.

The antecedent or first owner may have been organized society, or a person; in either case, assuming to own what neither had expended labor in producing. The land, as an indispensable value was produced indeed before either society or the person had an existence.

The first owner became an owner only on his own motion; came to it, claimed it, and put it under dominion through law enacted alone by himself, and established his right by might.

Let us bear in mind, this is land which the owner is not using. It is land which he holds for the pure and only purpose of exacting from some other man, later born, later arrived, later developed—our carpenter, for instance—a portion of his labor, or the result of it. He holds it for the presumed purpose of his own use, but actually

for the purpose of exaction; exaction which is formulated and made respectable through sale in a money price, or through letting, in a money rent. But we are not now considering the justice or injustice of this holding, only its tendency to impoverish our carpenter who has come with his family and his labor to the city where all land is held by a like tenure.

Let us suppose that he can secure employment and receive wages to average $75 per month. He must first deduct from this amount $24 per month for shelter. Rent is constructed of two factors: ground rent and rent of improvement. Payment of the latter is, doubtless, just, for it represents the labor of other men; but for the rent of land he should not pay, as neither the primitive owner nor his assigns have any right to demand compensation for what their labor did not produce. If he pays $24 per month rent, he pays land rent to the estimated amount of $12 or $144 annually. Here is the first exaction enforced by present customs and laws, the accumulating results of which are enjoyed by the non-producer; an exaction which, to the extent estimated, tends unjustly to render our carpenter sooner or later a subject of charitable labor.

It is wealth going out from him daily, monthly, to the landlord, without return to him from the landlord of any extent or kind. It tends to support the latter in idleness, thus promoting another evil in society of no inconsiderable magnitude and portentous import.

But let us scan this matter with a closer analysis. What constitutes the value in the sum of improvements for the use of which $12 is monthly demanded and paid? We have seen that rent for land alone is unjust and tends to beggar the party from whom it is exacted; now concerning the improvements:

Is not some degree of exaction covered up in the additional $12 which are demanded for the use of improvements? There is; the landlord consults with himself according to the unfortunate customs of the times and business methods, as follows: "I have put into these improvements $1000. I must, beside sustaining these structures in their originally valuable condition, have a standard *interest* on my money. I will assign for wear and tear and insurance $4, and for taxes $2 per month; the balance $6 per month is my legal and rightful interest."

It has been demonstrated elsewhere* that interest is the purest and most barefaced exaction; a compensation demanded for a fictitious *value* and enforced by society for the support of an income class, retired from active labor not alone on their wealth, but on what their wealth is imaginatively, and erroneously supposed to produce; enforced also through the necessities of an enterprising, active, and industrious portion of the community, already deprived use of their

*See chapter on Wealth and Interest.

portion of the common heritage, and intent on winning their way back, through established avenues, to their natural rights in the sources of wealth.

Monthly, $6 is added by the landlord and paid by our carpenter as interest on money, which money in itself can and does produce nothing and is entitled, therefore, to no compensation. This increases the monthly sum, which—taken from him and returning nothing—tends through the matter of shelter alone to place him in the ranks of the destitute from $12 to $18—$12 being exacted unjustly for land rental and $6 for interest on money advanced for improvements.

But there is another step to this analysis, which on the single item of shelter increases the burden and sends our hero on the down grade towards destitution.

The buildings and fixtures involve the purchase in open market of a long line of commodities which have been produced by promoters and exploiters of industrial operations, among which are lumber, shingles, plumbing materials, glass, brick, marble, nails, and door and window fixtures. The landlord is a fair-minded, honest man of business; gets as much as possible for what he gives, and pays out as little as possible for what he gets. But he finds himself dealing with lumbermen, brickmakers, marble workers, dealers in nails, glass, plumbing material—many of whom are paying to other parties rents, interest and profit—all of whom are intent on drawing from him as much more than cost as is possible; intent on taking the indeterminate percentage known as profit.*

Under the operation of this exaction, which is sustained in the industrial world not by justice, but by power, the present end of production being profit, and every man exacting all he can collect, it is presumed that the $1,000 of the landlord brings him values really worth but $800. In other words, the improvements measured by their cost, their actual value instead of drawing from him $1,000, should have drawn from him $800. But as $1,000 in money went out from him, he figures his interest account on $1,000 and in charging up rent to our carpenter, compels him to pay in rent for improvements, an excess of interest on $200; which, had he himself not been the victim of a system of exaction, under the name of profits, could have been remitted.

Interest on $1,000 being $6 monthly, interest on $800 would be $4.80. Hence, another monthly exaction of $1.20, supported and warranted to the landlord by the exactions of profit indulged in by manufacturers and merchants from whom he has purchased his materials, is saddled upon our *carpenter*, engaged thus far in securing but the one item of shelter for himself and his family; being a total of

*See chapter on Capital--nature of profit.

$19.20 monthly exaction for which he is not, or ought not to be, justly chargeable. The landlord having submitted to the exaction of profit, placed on commodites, which he has purchased by manufacturers and tradesmen, throws the burden at once upon the rentor.

Thus far, the single item of shelter.

As to the items of raiment and food, if investigation be carried through similar steps, it will be found he is the victim of like exactions imposed upon him by all dealers ; a system of exactions, which has been engrafted on industrial processes, and which, not being firmly established in the enjoyment of his industrial rights, he can not avoid.

If he is followed through his outlays for the common appliances of health, education and moral and religious culture, to say nothing of art, music and travel, before the month has passed, from one-fourth to one-half his income has gone out in enforced payment for values which he has not received, and in the custom and current of industrial efforts, cannot lay hold of ; and to that extent he has been advanced on the downward road to poverty and ultimate dependence on charitable labor.

But the money he has paid, over and above what clean-cut justice would have demanded from him, for what he has received, where has it gone? In land-rent to the landlord, and through him in interest and profit to him or others, in excessive payment for raiment, which is interlaced as to its every fibre with the insidious penetralia of rent, profit and interest, in superfluous disbursement for food, every mouthful of which carries the triple burdens of rent, a interest and profit, and in exactive expenditures for the indispensable *et ceteras* of modern life ; gone into the coffers of those, who through unusual skill and unscrupulousness, by means of opportunities taken and distrained from the common heritage, have gathered about them in royal munificence the wealth of the community ; gone to one, to several, to many engaged in various occupations of industrial life.

But a day of enforced idleness comes ; possibly accident, sickness, misfortune or death ; surplusages, which in the absence of the exactions alluded to, would have been laid by for a "rainy day," are wanting. Hunger and cold stare him in the face, and storm marshalls its embattling winds and waves. Food, raiment and shelter must be found. Needy and unable to provide, our *carpenter* falls necessarily under the notice of organized charity, private or public.

The inquiry may be reasonably raised, as our *carpenter* is the object of a system of successive despoilments, through rent, interest and profit, is he not so situated as a unit of a social system, and does he not hold the power, whereby, from other members of the same society, he may recover the actual losses which, through the exactions of rent, profit and interest, he has been compelled to suffer?

The answer to this query is, emphatically, no. Assuming men to

What has been taken from this man through profit, rent and interest, must be given back to him. The values which he has produced and which should have been in his hands are somewhere current, and especially among the rich in the community; they must be collected and returned to him. To do this, to supply wants, which, had he not, like other thousands, been the victim of industrial exactions, he could have supplied himself, the labor of the charity-corps is brought into requisition. Its true province is that of restitution. The charitable themselves, scarcely recognizing the nature of their labor, unconscious that they are the agents of compensatory justice, go intuitively to the wealthy of the community for the values wherewith to supply the wants of the needy *carpenter*; values, which produced by him,* but transferred to others through rent, profit and interest, have made them superabundantly rich, and him sufferingly poor.

Few, if any of those who have practiced and prospered upon this insidious method of despoilment, are aware of its real tendencies and results; of what is justly due from themselves to the needy and destitute; but through kindly sympathy, on appeal from the laborer in charity, they donate some small proportion of their surplusages so secured, to charitable persons or institutions, *and through these avenues their wealth goes back to supply the want of them whom they have unconsciously despoiled and disabled.*

That giving large sums to supply the wants of the impoverished and despoiled, under the present system of business, with its enrichments on the one hand, and its impoverishments on the other, is an industrial duty of paramount authority, cannot be denied. It is the principle, if not the only method by which an even and healthy current of wealth can be maintained and the fatal results of preponderating accumulations be obviated. So long as industrial warfare—competition—is the supported principle of industrial enterprise, so long as to the prior and strong, mentally and physically, through the exercise of might, the prizes of wealth and fortune fall, so long may it be assumed, and logically demonstrated, that an obligation of duty rests with the rich to provide for the wants of the impoverished and needy. It is not asserted that direct giving to any one is the best that can be done for him; but while the opulent and wealthy support a system which must needs result in abundance with a few, and lack and poverty with the many, so long must the rich, in the prosecution of industrial duty, supply the wants of the industrious poor. In other words, if the world will support and perpetuate an industrial warfare, the world must, either through private or public charity, in duty, take care of the wounded, disabled, and dying, and

*He is but one of many so exploited.

the funds should come by private donation or public taxation, principally from the wealthy and fortunate.

The inquiry may be reasonably raised, as our *carpenter* is the object of a system of successive despoilments, through rent, interest and profit, is he not so situated as a unit of a social system, and does he not hold the power, whereby, from other members of the same society, he may recover the actual losses which, through the exactions of rent, profit and interest, he has been compelled to suffer?

The answer to this query is, emphatically, no. Assuming men to be proximately equal in capacity and power, no one can, for a protracted period, continue to draw from the personal resources, the labor power of another, unless he has secured over him superior advantages; unless he has planted himself on the soil, secured the raw material upon which all labor must needs be applied, appropriated the natural fraction of provisions and excluded the other by law and permanent investiture therefrom. Our carpenter, and like him many, if not most other employees, hold no such grounds of vantage. He and they are the under dogs of the industrial contention, until, through chance, change or the opening of new opportunities, he is enabled to plant himself squarely and firmly on his natural rights in the common heritage. Nor is it possible for him to recover from others by retaliatory exaction any sensible amounts, until he has not only secured that footing on the land and in the natural values which places him in that just and equal position which he should, as a man, occupy, but secured some portions of the natural values in the soil, raw material and primitive possessions, which of right belongs to others. As situated in the hypothetical case, he is in ownership of neither land nor the other bases of exaction; he is in the position alone of a free American citizen, in the enjoyment of what is known as personal freedom, but conditioned industrially, and thence politically and civilly, to be plucked of a large percentage of those values which should of right come to him by heritage and by his own labor.

What an employee receives as wages is merely a residue of values which he should receive, and which the employer doles out to him to enable him to keep himself in vigorous condition for further labor; the surplus results of which, except under extraordinary circumstances, must continue to go to the employer.

Never, in the history of our civilization, has the cruel injustice of proletarian production; with the employer and the wage worker; been put to its most complete and logical trial. Experience has but intimated under elastic conditions, the barbarous injustice of its nature. It would seem that Providence, cognizant of the inhumanity which it embodies, had kindly arranged that it should never be pushed to its most intense and extreme results. A change of industrial conditions from chattel slavery of centuries gone, to better industrial conditions,

yet to be reached, must needs have been made through the slavery incident to employeeism—the latter to give way to a general system of employment, whereby every man employs and is employed by every other man. But in this gradual transition from the worse to the better—a transition, which, commencing in the self employment of the middle ages, has reached its present status only after several centuries of slow progress, the extreme, grinding cruelties ingrained in the nature of the transitional system of wage slavery, has been made avoidable by events affecting the industrial, and especially the commercial status of the entire world. Long before proletarianism had shown its tendency and power to enslave the laboring, employed population of European nations, Columbus had made his voyage of discovery, and opened the islands and continents of America to the down-trodden and oppressed of every land. Independent of religious, political and civil causes of discontent among European people, through the crushing force of the then new slavery—a slavery whose cruel characteristics are as yet scarcely understood—its victims, those employees, whom Mr. Thornton asserts have no natural rights, save to contract for the sale of their labor, who could or would no longer "bear the ills" they had "rather than fly to others" they "knew not of," in numbers gradually increasing, sought to regain their real rights—Mr. Thornton, to the contrary, notwithstanding—on the soil and in the raw material and natural wealth, not only of the unenclosed commons of the various nations of Europe, but of the vast and comparatively unoccupied regions of the new continent. As the new and increasing power of wage slavery, by every turn of the screw, rendered possible by increasing population and greater numbers of the unemployed, ground the employee class, laboring from twelve to sixteen hours per day, to the verge of desperation, through various means, secured by various influences, they made their way to the open lands and free natural wealth of America, and there regained their industrial, and established their political and civil liberties.

It is but little understood how powerfully the industrial conditions of Europe, the pressure of employer upon employee, influenced the exodus of their various peoples to America. The common impression is that civil, political and religious causes promoted the European hegira; but if the matter is closely scanned, it will be found that industrial causes were paramount.

This open vent of the unenclosed commons and the broad unoccupied domain of the new continent and its clusters of rich and fruitful islands has saved—prevented—the nations of Europe from realizing the galling cruelties inherent in the present proletarian competitive system of industry. From ocean to ocean America has been overrun by the immigrating hordes of Europe. Three centuries have sufficed

for the wave of population to swell from the Atlantic to the Pacific. Thirty years since the wave began to roll eastward from the Pacific, and at this moment the points of vantage and the best portions of the soil have been enslaved, and conditions are rapidly approximating those existent in the thickly populated portions of Europe. Australia and the islands of the Pacific are opened, and, from the same industrial causes, the migrating hordes of Asia in defiance of laws, are entering those sparsely settled territories.

In general, the result is that the vent which has been open to relieve the crowding and pressure of the employer class upon their expropriated employees, is rapidly disappearing; and the further result, and that most important to this discussion, is manifest in the growing complaints and mutterings of discontent, which, coming from the proletarian slaves, encircle the globe; complaints and mutterings which demand, and will have, satisfactory and remedial answer. With these millions of expropriated, enslaved and despoiled —enslaved not by touching their person, but by excluding them from what, in nature, the persons must have or die; despoiled, not by wild, tumultuous and violent plunder, but by exactions executed under enforced contracts, through scanty wages—with these millions it is the same story variously detailed which has been rehearsed concerning our *carpenter*.

To sagacious capitalistic employers and their financiering co-adjutors, the present system of wage-slavery is more economical, brings greater profits, than it is possible to attain from the management of chattel slaves. The care of the latter under all vicissitudes of their precarious health and life, so absorbed the profits of the southern planters, that few of them with abundant access to the sources of prosperity, attained great wealth. The large majority of them merely held their own against the demands of their creditors, and not a few, never knew what it was to be balanced with the world. In place of paying wages, the entire wants of the negro workers, in infancy or age, in sickness or health, were supplied from the resources of the masters, and with few exceptions, barring the indulgence of luxury, art and refinement, the laborers lived with little anxiety or trouble on the "fat of the land." The emphatic truth well understood by the most sagacious industrial leaders was expressed by a London banker, *in 1862, thus; "Slavery is likely to be abolished by the new power, and chattel slavery destroyed. This, I and my European friends are in favor of; for slavery is but the ownership of labor, and carries with it the care for the laborer; while the European plan, led on by England, is capital's control of labor by controling wages and the price of property, which can be done by controling money."

*Hazzard: extract taken from "Western Rural."

And, this power is gathering grasp and resistless momentum as time elapses, and the avenues of exit to other countries are closed by their settlement, or by laws of exclusion. Organized resistance to its exactions and cruelties seem to be the only avenue left, whereby the wage-workers may be saved the most vicious and heartless form of slavery, which has disgraced the annals of time.

EMPLOYMENT, ITS CONNECTION WITH INDUSTRIAL DUTY.

CHAPTER V., SECTION III.

In addressing the term duty, in its industrial sense, to a person or class of community, it is to be assumed that the person or class addressed have been recipients of values, which, if they hold by any admissible tenure, they hold first for their own use, and second from, or for the use of others; that they are the executors, probably, the self constituted executors of an implied contract existing either between themselves and another party, or, between two other parties; and that the values in their possession after use has been secured to themselves, ought, in justice, through execution of fiduciary trusts, be passed to others.

Most that is to be said concerning industrial duties is of necessity addressed to those who through priority, power or purchase *have secured exclusive ownership or control of the natural and created sources of those commodities which are required to supply the wants and give effectiveness to the efforts of the human race. Being in possession of that which has been created, either through natural or social development, for the benefit of mankind, it is due from them, in some forms and adequate quantities to their fellow men.

The consideration that such dues are not recognized as of binding force; that, of nature's resources, what men get, they imagine themselves entitled to keep, whether they are to them of utility or not, and whether they would or would not be of utility to others, renders it the more necessary that the truth should be repeatedly emphasized.

To be impressed with the idea of industrial duty, is of the more imperative importance, inasmuch as those who now conduct the industrial enterprises of the world, are inheritors of a system of production and distribution, which they did not personally originate, and for the misery and unfortunate phases of which they are not personally responsible; but which it becomes their duty to modify, diminish and eliminate.

The term employment in its most common acceptation implies occupation under the direction and pay of a second party. Self employment is especially connected with primitive and isolated phrases of life. It constitutes what may be termed industrial individualism, and is made possible only to those who have access to the earth's sur-

*Purchase is but a mode of transmitting the seizures of priority and power.

face, its soil, raw-material, temporary provisions, and the current facilities for production. It may be conducted with or without exchange of the products brought into existence through applied labor; if without exchange, it constitutes what may be termed pure industrial individualism; if with exchange, it is appropriately termed, modified industrial individualism.

But employment, as it is intended here to consider it, is not self-employment; it involves the division of the industrial forces into two classes, known on the one hand as employers and on the other as employees; classes whose interests at one and the same time are identical and yet antagonistic; identical as to the processes of production, but antagonistic as to the pre-eminent interesting matter of distribution. It is at this point where the struggle of competition makes itself felt. For centuries socialistic production has marked the activity of the industrial world. In those times and portions of the world where patriarchal or chattel slavery held the laborers of different nations in bondage, no struggle was maintained over the distribution of commodities produced. The master through a right assumed by himself and assented to by the slave, took the product and cared for the slave. But as patriarchal and chattel slavery yielded little by little, over the face of the globe, and proletarian or wage employment took its place here and there, as modes and appliances of production attained increasing variety, and the division of labor and concentration of the sources of wealth forced the laborers of the world out of the individualistic production prevalent in the middle ages, and entered them in the lists of social, or co-operative production now maintained throughout Europe and America, then commenced the conflict between employer and employee for a distribution of the combined results of their joint production; a desirable distribution; distribution satisfactory to both parties.

The advance of those principles of freedom which have marked national and race movements for eighteen centuries, has got no farther on the industrial plane than to permit the employer and employee to contract and fight, and fight and contract over the distribution of wealth produced by their joint industry. It is a humiliating confession, but in accordance with facts. Questions of right on one side and duty on the other; the application of justice, where of all points it needs most to be applied, have scarcely been heeded. On either side, in practicalizing adjustments, has been a question of might; and while the right has been principally on the side of employees, neither party has, until recently, become cognizant of the equities and philosophies which have underlaid and still underlie the prolonged struggle. On the part of employees the complaint has been to employers, "You are getting too much of the produce, we want and must have higher wages;" and the general reply has been, "We are pay-

ing you all we can afford; if we pay more we shall have no profit."

Even Mr. Thornton assumes that no equities lie between the contending forces; that it is principally a question on either side of desire for more wealth; a desire which finds expression in the power and endurance of forces marshaled to secure and maintain their respective demands. He maintains that no obligation exists on the part of the employer to engage in productive industry; none to furnish employment to laborers; no obligation, indeed, except when he chooses to engage in productive enterprise, elects to employ others and enters into a contract, expressed or implied, to pay current or specific wages, he is bound by his contract. On the other hand he maintains that the laborer is under no obligation; may refuse to work as long as he so chooses; but when he accepts employment he also is bound by his expressed or implied contract of so many hours labor for so much money. He maintains, however, that the right attaches with either party, to finesse, strategize, combine and contend for better contracts. Indeed, he assumes the position recognized throughout the civilized world that the right of individuals to contract is the true basis of organized society, and the substantial, underlying element of industrial harmony; but in this assumption which is sustained by the past and current, and it must be asserted the narrow and shallow thought of the busy world, he practically ignores that essence of contract, which is deliberate, intelligent and unconstrained *consent.*

No person can be said to have made a binding contract, who has been ignorant of the premises; ignorant of the tendencies of his proposed action and the results thereof to himself and others, or who has undertaken it under duress of interior impulse, predjudice or passion, or the restraining power of exterior conditions operating upon him with immovable resistance. It must be admitted, under these conditions, which must commend themselves to the considerate judgment of the thoughtful, as indispensable to a binding consent, valid, durable contracts have rarely been made. If, in industrial life between employers and employees, either or both parties are warranted at any time—except compensation and time or result be directly and explicitly stipulated—in combining for better contracts, the elements of permanency is eleminated and consent—if it can be so named—is or may be of so short duration, that consent may be said never to have been gained or given.

A condition of society, or of the relations between employer and employee, which, without special stipulation, leaves every contract liable to be changed by the admitted right of both parties, the moment after it is consented to, indicates a radical wrong, an irrepressible injustice, which surges, and will continue to surge against the peace and stability of social and industrial conditions until the

wrong is righted and the injustice eliminated. There is that in the very soul of persons and substance of things, which, irrespective of the conflict engendered by greed between individuals and classes, between nation and nation, intuitively accepts as settled and unassailable, those private or public opinions or acts, which rest upon private or public justice. In other words, when justice is established between employer and employee, it will be intuitively recognized by each party; encroachment will disappear and conflict cease to constitute, as it does now, both the spirit of the times and the industrial order of the day.

In the light of well-known facts and philosophies, the position of Mr. Thornton is positively untenable. He ignores conditions and necessities on both sides, which, in determining the obligations and responsibilities of employers and their relations to employees, are of vital, essential importance. He first ignores the fundamental fact that labor, occupation or employment is dependent on conditions which have been brought into existence alone, not by human labor, but by the intelligent, beneficent forces; by creative power; and that no man can employ himself, much less employ others, unless he has access to, and control of those conditions.

How can one labor unless he has a footing on the soil? how can he employ himself unless he has access to and control not only of himself, but of land, of the raw material of his particular form of labor, of the natural supply, of food and clothing, of the tools and implements and machinery, —through whose effectiveness raw material may be brought into commodious forms, at a cost not exceeding the cost of similar commodities, reaching points of exchange from the hands of other laborers— and of the current facilities of transportion and exchange.

Whatever may be said of the necessity of money, machinery and provisions, as conditions of successful self-employment, two indispensable requisites of production—of employment—exist, which embrace values brought into existence only by a common provider. No man can create or produce land or raw material; no man can produce other commodities unless he has these prerequisites of productive self-employment, and no man has an equitable right to more than his fair proportion of these constituent sections of the common heritage. Furthermore, if by any means whatever, priority, heredity, purchase or royal bequest, any man holds more than his just proportion of this common heritage, and thereby excludes another from enjoyment of that portion to which the latter is entitled, *from that moment*, an obligation, personal or social, attaches against the appropriator and in favor of the expropriated, first *for support*, second for *employment and wages* which will include the full value of the labor applied by the wage worker, in addition to his

rightful interest as a common inheritor in the raw material that goes in wealth to the market, upon which the labor of the latter has been applied ; fourth, for such *restitution* as will place the expropriated in the full enjoyment of his natural rights.

Nor is Mr. Thornton's position regarding the rights and possibilities connected with the life of employed laborers, more tenable than those assumed regarding employers. He assumes that a laborer may work or refuse to work ; that in this respect his choice is free, and he is placed thereby in a position and with a power equal to that held by the employer ; that the latter has no material advantage over him ; that it is an even stand-up between the parties to a privileged conflict.

In this he errs. The laborer has no choice ; he must work or starve, become a criminal or pauper, dependent or delinquent. A few days may elapse, but sooner or later he must work. From him are taken access to even the natural food of the primitive man—wild berries, nuts, fruit, fish and flesh. These means of the poorest sustenance are obliterated by an advanced civilization—a civilization which makes every man a unit of itself. If he lives at all, he must live from food produced as is produced the food of the employer. There is no alternative ; he must go to work, and if he works he must stand on the land held by the employer, apply his labor to raw material, and latterly, through tools, machinery and fixtures owned by the employer. He cannot do a stroke of productive work in supply of his wants without the consent of the owner. Though as to his personality, the handling of his limbs, the evolution and utterance of his thoughts, the choice of his employer he may be a free man, yet to some one of the class of employers, he must show his weakness and dependence.

No chains are about him ; but through the necessary relation between his imperative wants and the material essences and existence around him, and the absolute fetterment of the latter, by law, to the entire class of employers, he is their slave, or the slave of enforced starvation. He is compelled to enter their service at their terms through legalized exclusion, which, for services rendered, the employer, may personally mitigate. That the terms are less harsh than those of chattel slavery—if they are, all things considered, is a question—does not modify the absolute helplessness and consequent dependence of the laborer so situated, on the employer, so circumstanced. The latter, having secured the exclusion of the former, is fully armed for resistless exaction ; and if he does not exercise it to the full extent, as under the régime of chattel slavery, it is not because the laborer is not absolutely in his power.

The *principle* escape from the logic and the realities of this system of industry, of these relations between employer and employee, has

been and is, that some remnants—the poorest portions usually—of the common heritage, of the land, raw material, natural food and elements of shelter, especially in Great Britain and some parts of Europe, have been left open to the joint and partial use of laborers. When the exactions of employers have been carried to an unbearable extremity, the laborers could relieve the tension upon them by resorting to the commons. Another vent, and that which up to a recent period, has prevented employees from the extreme exactions which their positions, if fully maintained, would enable them to indulge in, has been that of emigration. As the common lands were gradually appropriated and fenced in, discoveries opened new countries for settlement. The Americas and Islands of the Ocean have afforded such avenues of escape to the oppressions which employers were inclined to impose upon their employees, that the power of the former over the latter has never been carried to the extreme, which the real nature of their respective relations, without some safety valve, would warrant and enable the former to enforce. Place the machinery thus: Employers in possession of land, raw material, provisions, machinery and the means of exchange, and the employees with the latent labor of their bodies and brains, and no avenues of escape from the conditions; let the machinery be set in operation, and the result would show that employers are absolute masters of the situation; that by control of the price of wages and the price of commodity and property, employees would be held in an industrial limitation so narrow that no form of slavery could be made to exceed the injustice and cruelty.

But let us return to the status described as existing between employees on one side and employers on the other. What man claiming and exercising the faculty of reason and sense of justice, will assert that no obligation or duty exists between the parties of the first and second part; between employers and employees? Aside from the stated conditions the one circumstance of a contest continuing through decades and centuries is *prima facie* evidence that injustice exists, and it is injustice that rankles and rouses to resistance.

But the conditions need only to be stated; the more closely the relations are examined, the more clearly and broadly the obligation of the employer to the employee, aside from private contract, becomes manifest.

It is to be assumed that all men being created to live, should have been and were provided with the means of livelihood necessary to the production of commodities adapted to continue life, and confer comfort and luxury; that the necessity to labor, inheres with every human being, and with the necessity, goes the right to natural opportunities, means and appliances of labor; and that every man who has, by any means whatever, long or short, direct or indirect,

taken these opportunities and appliances from any other man or class of men, owes the latter an obligation which cannot be ignored or set aside.

How may, how should this obligation be disharged?

It can be proximately discharged through one of several avenues. First, through charity, as has been pointed out; second, through employment, as will be next shown; and third, by turning over to every man his just portion of the opportunities and appliances of production and placing him in an independent position of self-employment, with consequent possession and enjoyment of the fruits of his own toil.

The term employment is *already* one of wide scope and is distined to maintain an importance second to none in the industrial vocabulary. It signifies occupation, implies labor, and through its common acceptation, separates the industrial forces into two classes: the employer and the employee. As may be inferred from the conditions which make it possible for one man to be an employer, from the exclusive possession and ownership of the sources of wealth, the position is one to which exaction—from the employee—most readily attaches. Except in isolated and rare instances, no man employs another unless the former presumes he will be able to reap a profit from the labor of the latter. In words more definitely expressed, under other systems, the patriarch or master, took the entire product without remonstrance, as both laborer and product belonged to him; but under the present system, which rests upon a pretense of personal freedom and equality and on the false presumption that justice, through contract, is operative between the employer and employee, the employer demands and takes from the employee, not only his portion of the common heritage—natural values—which attach to, or inhere with every article of commodity that labor constructs and completes, but he exacts a percentage, greater or less, of those values which, to the same commodities, have been added by the effort and skill of the employee; he takes in the goods, more units of value from the employee, than he pays back to him in money; and he would not, under present business principles, offer employment unless sustained in his efforts to accumulate the most possible through this double or compound exaction.

Let it be borne in mind that the exaction which the employer habitually enforces upon his employee, and which the former rarely if ever recognizes as such, consists of two distinct and separable, if not separated elements; viz., First, that portion of the natural values * of the common heritage, adduced and produced by creative labor, which of right as a human being and a unit of society, belongs to the employee, and of which, through processes of slow growth and

* See chapter on values.

long standing he has been despoiled; and second, of those values attached to commodities and produced by the direct labor of the employee himself. It matters not that these distinct values, the former produced by creative labor, the latter by human labor, are not easily segregated, measured or weighed; nor that they cannot respectively be easily differentiated in dollars or pounds. In their totality they become distinctly and palpably manifest in the disparity which exists in the respective modes of life and substantial material surroundings enjoyed by the small class of employers on the one hand, and the meagre appointments of the large class of employees on the other: in the comparative comfort and luxury enjoyed by the former and the antithetical poverty, distress and misery suffered by the latter.

It is the sum of these moieties, these distinct factors, which, in exact justice, should go back to every employee from the employer; and it is the present duty of every employer to see that this *ideal* of wage payment is lived to as closely as the varying circumstances, and especially the unfortunate and crushing forces of competition will permit.

It cannot in justice be forgotten, that owing to the industrial warfare being waged among employers, to place in the market, goods, at a cost less than those manufactured by competitors, the lot of an employer is not always a happy lot. On the other hand he should bear in mind that it is himself, his competitive peers and the miserable characteristics of a system which makes them competitive, and throws the industrial world into contending armies with their numberless squads and detachments, each struggling under business customs to secure most of the plunder of profit, which place him in danger and overthrow his plans; should remember that he is making use of his employees—it may be, feels driven to—to secure his own ends and advance his own interests against his competitors, and that his employees are despoiled and impoverished as a logical result of his ambition and greed; that when they demand in wages, even to the fullness of the ideal above outlined, they are demanding no more than in natural justice and under a peaceable and equitable system of industry, they are entitled to.

But the duty of employers extends beyond the questions as to how much wages they shall pay and on what ideal or principle they shall be paid. Mr. Thornton and his followers and admirers to the contrary, employers *are under conditional obligation* to *furnish employment* to the *world's wage-workers.* The conditions alluded to, involve the holding by them of those natural and social opportunities and facilities which enable them to be employers, and which place the latter in the generally irretrievable position of employees.

Of the natural opportunities and means for employment, land and

raw material and provisions, a somewhat definite quantity exists, and is available therefor. The possession of no one of these factors for successful self-employment is adequate. Every man to stand an equal chance with every other man must be in the equal, and easy use, not only of the common opportunities, but they must also hold the best facilities for manufacture and exchange, machinery and transportation, as well as money. Those who hold these factors of production in due proportion may become and be their own employees; but those who hold, to the exclusion of others, the means of self-employment, are in duty bound to furnish employment to those who are so excluded.

The duty of employers then in giving employment to employees is to be determined by how much greater interest the former hold in the land, raw material, provisions, machinery, transportation, and money, than, as individuals, is their just proportion of the common heritage in these natural and social elements of successful production. It matters not, so far as this duty is concerned, through what progressive measures, laden here and there with exaction and despoilment, originating, perhaps, in fraud or force, the means of employment, belonging to the entire human family, came into their hands. The simple fact that they hold them to *the exclusion of others*, is evidence of the despoilment, which underlies the holding and the exaction which is made possible and usually follows the holding, despoilment and exaction, for which, if the living are not primarily and personally responsible they are, the profiting inheritors.

The exact status in this regard is not known in any civilized land. The precise number of employers in America is not known; but it has been estimated at 50,000 and includes those, who not only employ themselves, but besides employ from one to several thousand men.

The possibility of escape from the exacting operations of employers in a country not entirely settled and occupied are large; but to elucidate and illustrate this proposition, let us suppose them closed; that the land and raw material is held entirely by the 50,000 employers of the country, and that the means of employment is equal to the self-employment of the entire number of laborers; the number according to census, being about 17,000,000 of active producers; employers and employees.

If 50,000 persons hold in their hands the means of employment, which nature has designed for the employment of 17,000,000 people, then 50,000 promoters of American industry, are in duty bound to furnish adequate employment, with fair compensation for 16,950,000 persons; in other words, all the means of employment being in their hand, they should open occupation to all.

But let us suppose it to be thus; that the constituent army of em-

ployers is 50,000; the whole number of active laborers, inclusive of employers, who, as superintendents of industry are also laborers, 17,000,000; that exclusive of that part of the means of employment, the employers hold in their possession and ownership, enough of the common heritage is still open to use, to furnish employment to 5,000,000 persons. The employers of the country having left to the use of those who desire to employ themselves enough land, raw-material and the products of social developement, machinery, transportation and money for the self employment of 5,000,000 persons, are relieved from the obligation of furnishing employment for these 5,000,000 persons, but are in duty bound to so conduct the industries of the community that they can furnish employment to 11,950,000 persons.

But let us place this proposition in another light. The productive population of the country is 17,000,000 persons, embracing both employers and employees. If the latter comprising 50,000 persons, hold the industrial reins over the balance, owing to their ownership and possession of nine tenths of the means, whereupon and through which successful productive labor may be applied, they must in duty afford employment to nine-tenths of the laborers of the country. Of the 16,950,000 laborers dependent for existence on employment from some source, 15,255,000 will look to the employing class for occupation, and one tenth of them, or 1,695,000 will justly apply their labor to the natural and unappropriated means of employment, and thus secure the subsistence to which, through labor, they are entitled.

If, on the other hand, the employers have appropriated in any way, by heredity, purchase or otherwise, but four-tenths of the natural means of employment—the sources and appliances for the production of wealth—and the balance six-tenths is left open to the use of others, then the employers, according to the provisions of this proposition, are bound to find work for 6,780,000 persons. The balance having free or equal access to the unappropriated means of self-employment, could hold the employing class to no obligation for occupation and wages.

These figures are introduced merely to elucidate in a plain but decisive manner the proportional extent of the obligation which employers owe to the unemployed of their respective communities: the equity of the demand on employers, being based on the fact that as employers they have taken from others, through current methods, the natural means of employment, land, raw material, provisions and the social means of production,—tools, implements, machinery, transportation and money—to some amount over and above what self-employment alone would necessitate; that that over-amount, whether it be large or small, is necessarily taken from others who have, in the said raw material and the social means of productive effort, also a right to apply their own labor for their own sustenance

where it can be made reasonably effective and productive. Denial of these obligations and refusal to act thereon has resulted in far-reaching and wide-spread poverty and misery. Denial of employment seems proper and reasonable only because employers know but little of the *rationale* and less of the equities which attach to the responsible position which, in every nation, they have assumed to occupy. Men in the most civilized communities have denied the simplest dictates of natural justice and natural law, and may possibly continue to do so, until justice in its own way, and good time comes to judgment and awards to each and every man his inalienable interests in the means of employment, in sources of the world's wealth, or in the wealth brought to the finish and perfection of use through labor. A clear and enlarged view of the scope of these functions as the dominative element of industrial life, and of their obligations to the nation which gives them patronage and support, should be acquired by the employers of every land.

It is one avenue out of the industrtal disturbances of the times; and the only one compatible with the preservation of private enterprise on one hand, and the establishment of industrial justice on the other.

DUTY OF RESTITUTION.

CHAPTER V., SECTION V.

It is in evidence through accessible statistics that the sources of wealth and appliances of production, or what is tantamount, the means and avenues for employment, individual or social, are held by a small portion of the population, occupying the territory of every civilized nation.

As respects the several nations which fall under this designation, it is but a simple matter of varying proportion; of entire or fractional appropriation. In America the means of employment are as yet but partially seggregated. The best portions, the points of vantage which dominate and probably will continue to dominate manufacturing and commercial interests are gone; but much outlying land in tributary districts is yet accessible to those who would afford themselves self-employment and thereby escape the exactions of employers. In France the means of employment are fully absorbed; but the lands were distributed under the first Napoleon, placing some 7,000,000 people with direct access to the earth, and in close contact with the other means and appliances of self-employment. In England and portions of Europe the natural sources of wealth and *means* of employment have been acquired by the class of employers,—agriculturalists, manufacturers and merchants,—and concentrated into remarkably few hands.

What the exact ratio, in these countries, which the number of employers bear to the number of employees and the ratio of means of ployment appropriated by the former, and the quantity of means left to the latter unappropriated, can be definitely determined only by a collection and arrangement of facts not easily accessible; but it is clear that the former hold in their hands the power to afford the latter, through wages, ample means of comfortable life; Malthus, to the contrary notwithstanding; freedom from conditions of abject and degrading poverty, it is clear that the latter, debarred from the means of self-employment, are as completely dependent upon the former for food, clothing and shelter, as was the chattel slave upon his owner, or the hound upon his master.

Under these conditions what shall be done by the party in power—the small class of employers? What is their duty to the large masses unnaturally, immoderately and unjustly dependent upon them for the means of existence?

They must take one of three courses; adopt one of three methods to discharge the imperative duty which rests upon them. First, they

must feed, clothe and shelter those out of employment and impoverished and suffering from that cause. Second, if they do not willingly and cheerfully put out the means to support without labor as one supports his horse or hound, those deprived of sustenance, because excluded from the sources of wealth, the duty rests with them to furnish ample employment with adequate wages through which the employee may provide for his own want. Third, if they perform one or both of these debts with hesitation, reluctance, or but partially, it becomes their duty to re-deliver into the hands of society the entire sources of national wealth and means of national employment for such subsequent disposition, in the interest of each individual, as may then be deemed adequate to secure the end sought; viz., the physical and intellectual comfort and prosperity of every citizen.

It will be borne in mind, as claimed at the commencement of this and the preceding chapter, that three parties exist, interested in the acquirement of rights, and in the performance of duties. First, the beneficent intelligent forces or the creative God-element. Second, society, with its varied phases of organization from the most primitive to the most complex. Third, the individual, with different degrees of perfection which mark his origin and development.

The primitive purpose inheres in the creative element; creation having been effected for the equal benefit of every member of the human family.

But these beneficent, intelligent forces, this creative agency, operating only through organized matter, of necessity makes organized society the *agent* of its purposes. Society is destined to exercise paramount control over the development and destiny of the individual; but, under principles which it does not originate, it is to be governed by a Power higher than itself, in those operations which it undertakes towards its own advancement, and the prosperity and perfection of the individual. Society is the visible agent of an administration of even-handed justice, and the maintainance of proportional equality; an agency which it cannot escape, and which it cannot perform with partiality without bringing injury or destruction to itself.

To this society, moving forward from age to age, along the line of a true progress that it may have renewed opportunity for each generation to adjust the relations of individuals to each other and modify the asperities of class attritions, must the employing classes, having failed in the just performance of their trusts, yield the sources of wealth and means of employment.

This may seem a bold and unwarranted proposition; and yet what other course can be taken with a dominating class, controling the governmental machinery of organized society, and handling the means of employment, originally destined to afford occupation and sustenance to all, for their own narrow and selfish ends? What

can be done with such a class, and for the entire community, except to point out the duty which, from the responsible position occupied by them, and which themselves, as the prior and primitively developed units of society have assumed, they owe to every individual, and demand in the name of justice that the duty, so assumed, be rigidly and fully performed? and what next is to be done in case the duty so pointed out is ignored and neglected, but to demand that they yield to the proper authorities which represent organized society,—viz. the government—the trust which they have been permitted to administer, and which they have failed to maintain with careful and scrupulous regard to the material interests of all concerned. What other step in the name of the beneficent intelligent forces, of justice, of the responsible Creator of men and things, can be taken to establish and ensure permanently prosperous conditions, in the midst of which manhood development may reach its most luxuriant, fullest and maturest growths? If any man will show what other fair, honorable or just course can be taken, then he is reasonably entitled to oppose and overthrow the proposition here advanced; a proposition which has been reached without undue haste, or prejudice for or against the supposed interests of either of the parties, employers and employees, especially involved.

But it may be inquired, will those who have so long held possession and control of the sources of wealth and means of employment, yield them without resistance? It is not here intended to determine whether they will or will not respond to this last and extreme call of duty. It is intended mainly to point out the duty of the individual, of different classes of society, and of society itself to its constituent element, each to the other and all to each.

What *may* be done by the controlling and managing elements of industrial life, those who profit and prosper upon the common heritage, and the labor of their fellows, is instanced by what *was* done some years since by the dominant and hereditary classes of the Empire of Japan.

A movement which was inaugurated in that country in 1868 is thus described :*

The commander in chief of the men at arms, known as the Shiogoon, which has been corrupted into Tycoon by foreigners, was the right arm of the Emperor in governing the country. At first he was a person who had distinguished himself for ability, and he only carried out the orders of his superiors. Gradually these military chiefs assumed more and more authority, till they became the real power, and the Emperors only the shadow of power. There was never any repudiation of the authority of the Emperors, but they were so surrounded with the creatures of the Tycoon that they were helpless. The chief military office at last became hereditary in the family of the Tycoon. There were several of

*This extract was written by H. Latham, for eight years Secretary of the American Legation in Japan, and published in the San Francisco Chronicle, Oct. 24, 1886.

the great feudal families that held this position. As a matter of policy they established their courts and capitals at some point remote from the Emperor's capital. Under one of these families the Tycoonate was established at Osaka, under another at Kamakura, and under the last of these families at Yeddo, now Tokio. These conditions of government existed down to 1868, when several of the most powerful of the feudal princes rose against the Tycoon and a civil war was waged. To stop this and pacify the princes, the Tycoon was deposed and the Emperor resumed the reins of government, and then occurred one of the most remarkable revolutions of history. These feudal princes, numbering two hundred and sixty, having control of all the lands and revenues of the empire, with the exception of the five central provinces, at the head of one million men at arms, intrenched at two hundred and sixty fortified castles, *voluntarily resigned their power and property and retired to private life.*

THE NEW ORDER OF THINGS.

This was followed by a complete reorganization of government and society. The Emperor suscribed to an oath of office, which was in fact a constitution. Departments corresponding to those of our Federal Government were established. Governors of provinces were appointed, new codes were formulated in which slavery and imprisonment for debt were abolished, and cruel punishments were prohibited. Courts were established which guarded the rights of all and to which the poorest person could go without cost. Liberal exemption laws were made, whereby the homes, household furniture, clothing, tools, implements, books of trades and professions, were exempted from seizure by judgment creditors. The land which had always been held and worked under lease was given in fee simple to the farmers. The discriminating class system was abolished, and all persons made equal before the law. The 1,000,000 men at arms took their families, in all 5,000,000, were pensioned, and their pensions capitalized and bonds issued, the interest on which is only $12,000,000 annually. By this means alone the people were relieved of a burden of $200,000,000 per year. These 5,000,000 costly consumers were, the majority of them, made producers and self-supporting. Schools were established in all parts of the empire, railroads were built, telegraph lines were constructed, an army and navy with military and naval schools were organized, ship yards and docks were built, a steam merchant marine put on the seas and a powerful public press was established.

A PEACEFUL REVOLUTION.

Never before in the history of the human race has there been such a complete revolution, so completely and rapidly made. All these changes were supported by public sentiment, and were justified by the beneficent results they bore. A national Assembly is promised the people in 1890, and as paving the way from an absolute and irresponsible monarchy to a limited and constitutional one, in 1878 local elective and representative provincial assemblies were established. These assemblies correspond to our State Legislatures. They have control of all provincial matters, taxation, roads, canals, dykes, schools and hospitals. All male citizens 21 years of age, and paying $10 land or other real estate tax, are qualified electors. These local assemblies have now been working harmoniously for eight years. There is no record of any other elective and representative bodies in Asia, where the human race was cradled, and where more than one-half of the world's population dwells. This representative movement may spread and be the means of liberating 800,000,000 people from foreign and home oppression.

What the dominant classes of Japan have done in the interests of of their dependent millions, the dominant industrial classes of every

nation can do to better the material condition of their dependents.

The precise cause which led to the action of the feudal princes of Japan is not specified, nor is it stated what motive inspired the subsequent active and radical changes which were undertaken by organized society under the auspices of the emperor; but it is a fact well-known the wide world over, that no nation, ancient or modern occidental or oriental, has strided on so rapidly in all phases of material development as did Japan after the rebellion of the feudal princes, and the resignation of their rights in the lands and revenues of their several provinces. Judging from the measures specified in this graphic statement, Japan is likely to develop occasion for a new adjustment of industrial affairs within another century; but if its leading classes act then with the unselfish resignation evinced by those who have recently turned over to the organized society of that empire their acquired rights, no serious strain between the favored and dependent classes of the future need be apprehended.

It is the tenacity of those who have acquired rights through heredity or purchase—the latter pregnant of seeming but delusive equity—which leads to the strain and ultimate violence and bloodshed, which a conflict for real right on the one hand, and supposed right on the other engenders; it is the unyielding permanence of investiture against which the progressive forces are continually embattling. The example of the Japanese Princes, standing as they were with their hereditary and purchased rights against the pressure of advancing civilization, is worthy of emulation with the employing, wealthy and aristocratic classes of that galaxy of nations moving forward through an active development under the inspiriting forces of the western civilization.

But what will society do with, how will it readjust to the growing wants of the age, the sources of wealth and means of employment, which may be replaced in its hands for new assignment?

Two general propositions are open for consideration and action; propositions through either of which the natural rights of every unit of the social organization shall have assigned to him his proportionate interest in the common heritage and the entire results of his own labor, applied thereto. First, an assignment, as equitable and prompt as circumstances will admit, to each person, of his portion of the common heritage—of the means of employment—which he may manage according to his own intelligence and capacity, either alone or in co-operation with others, for the supply of his own wants, the increased effectiveness of his own efforts, and the development of his own individuality.

Second, a national or co-operative management of the sources of wealth and means of employment, affording to every unit of the social whole, a proportionate amount of employment and a correspondent

proportion of the commodities produced by the aggregate labor. The duty of society in making readjustments will turn of necessity to the establishment either of an equitable individualism, leaving every man with the means of successful steady employment in his hand, and making him entirely and absolutely responsible for his own prosperity; or of an equally equitable industrial socialism, affording occupation to all, and distributing to each according to his interest in the common heritage, and the quantity of labor bestowed on the aggregate wealth, his equal proportion of the general mass of productive results. A pure industrial individualism involves an equal distribution of the sources of wealth and means of employment to every person; a pure industrial socialism demands that society shall find employment for every unit of the common integer, and distribute the wealth produced, proportionately with his labor, to every individual.

Justice may be achieved, and the duty of society to the individual be fully discharged through either of these channels of industrial operation. Which of these should be followed is therefore to be determined by an answer to the question, which is the most practicable and feasible? That course which can be most easily and effectively pursued in conjunction with the creative and providing forces, and which will result most favorably upon the evolution of humanity as a totality, will be determined by following those lines of duty and instincts of love, which, arising in the creative agency, pass through society to the individual, and from the individual, backwards to the infinite source of all value.

The present civilization in its forward movement, has reached a point where, in the interests of justice, peace, and freedom, new and progressive adjustments are imperative. Freedom must be given a wider scope than that which pertains merely to the movements of the person. It is not enough that men should be absolved from enforced personal servitude. It is in a manner, and approximately, useless freedom, which takes the chain from my mind and my muscle, and binds me to the enforced service of another through conditions which exclude me from the sources of self-sustenance.

The very conditions of my existence demand that I shall have some things which may be properly called my own, and which I may adapt to the necessary uses and specialties of my own life—that I should have such reasonable abundance as my own labor will create and my portion of the common heritage will supply to me. It demands also that other units of society shall not suffer from the prostrating congestions of superabundance. No organized body can long stand the strain of excessive congestions without rupture and dissolution; nor can organized society continue to exist under the increasing accumulations of nutritive wealth in its brain without approaching the verge of a critical overflow. There must

be more freedom everywhere; from an over supply of stowaway, useless wealth on one hand, and freedom on the other hand, from the prostituting and disabling influences of poverty.

NATIONAL WEALTH AND POVERTY.

CHAPTER VI., SECTION I.

The writings of Adam Smith through their clearness and vigor made a lasting impress on the economic thought of the world. Nothing reflects so thoroughly upon the want of discrimination exercised by those who have followed him and given unquestioned adherence to his teachings, as this permanent impress. As regards this servitude of the current thought of the times, two topics require a brief and especial consideration.

As evinced by the propositions announced in his famous work entitled "The Wealth of Nations," two prominent thoughts inspired the effort of Adam Smith; viz., first, that the desire for exchange led to the division of labor; and second, that the division of labor constituted the active and effective agency of the wealth of nations.

The difficulty of dealing with these propositions consists in the fact that the first is pregnant with seeming truth, and the second embodies but a small and indefinite part of the truth it was designed to express.

It is an impossible proposition and one contrary to the order of nature, to affirm that men were impelled to a division of labor prompted by the desire to exchange. The first impulse of a man is to do something, and always that which best suits his tastes and adaptabilities, provided that what he does, will, according to his judgment or intuitions, tend to gratify his desire or supply his want. A man must have arrived at a condition of rationality requiring time and experience before he is likely to consider the advantages and desirability of exchange. Intuitively he first produces, and subsequently exchanges. This position is furthermore, more than proved by a general fact which is easily recognized by actual perception, viz., that while at this moment the processes and modes of production have arrived at a point of perfection scarcely to be excelled, that of distribution or exchange, on any just or equitable basis, is but in its infancy.

Adam Smith in the statement of this proposition, overlooked entirely the order of nature. Instead of placing human and creative effort at the bottom of his economic superstructure, he placed exchange in its stead. The result today is, that the science to which he in other ways gave form and consistency, rests on an unsubstantial basis; rests as it were, not upon its feet, but upon its head.

Exchange was assumed as the origin of that effective production which tended then, and now in its proper place tends, to the develop-

ment of national wealth; whereas, exchange is but the last of a series of industrial processes which originated in the active and passive forces, operating upon the seed, egg and mineral monad, and passed upward through agriculture and manufacture to the world's commercial transactions. It is the last and not the beginning of a series.

It is evident from a close examination of the facts, that the division of labor did not originate in the desire to exchange, but in the natural inherent disposition of each man to select some form of occupation most harmonious with his inclination and most conducive to the supply of his wants with the least expenditure of his effort; that exchange followed as an absolute necessity from the fact that selection and prosecution of a single congenial occupation by one person could supply but a small portion of the varied wants of the person. After perfecting his own productions he possessed a basis for exchange not before existing.

But the second proposition, viz., that the division of labor has led to the productive energy which has resulted in national wealth has encouraged a widespread misconception of the nature and characteristics of what is termed the present or competitive system of industry.

The idea connected with the division of labor is that of individual effort, as distinct in purpose as it is possible to be made. It is expressed, as it is commonly understood, in another form by the term industrial individualism and involves in current thought the principle of competition. The current conception involves the laborer in an isolated productive individuality, contrary to the real truth. It involves also in the common consciousness the idea that one man is continually pitted industrially against another and plies his powers toward a separate phase of production in which himself personally is directly interested and in which the next man possesses no interest whatever. Out of these forces and conditions has grown the common idea of competitive industry: a thorough and unquestioned belief that the world's productions are brought into being and matured to the point of commodity and use through the industrial contention of one man against another; of one class of men and interests against other classes of men and interests.

This thought has taken full possession of and is claimed to underlie the rationality of economic science. The most noted writers, among them John S. Mill and Prof. Devons, maintain that the correctness of their theories and the deductions derived therefrom are consistent, only with the universal and continued activity of the principle of competition.

The problem to be solved is whether this widely accepted belief is true or untrue; if true, whether true in total, or in part; if true in part, what is true and what part is untrue.

It is evident to common observation that competition is a prevailing element of industrial life. We do find men struggling like Titans in all portions of the civilized world and in many phases of effort; we find one man striving to excel every other man in his line of industry and feeling that he is pitting, as to his productive efforts, his best powers against the best powers of others: that the struggle which centres about rapidity of work, quality of design and execution and cheapness of commodities brought into exchange, is prompted by productive effort.

So patent are the facts in all portions of the civilized globe, in support of the proposition that a struggle which heats and colors and characterizes the phases of industrial life is in continued existence, that it cannot be denied. But what is all this competitive effort about? What is its objective point? Are men in fierce competition with each other over the process of production? Does the division of labor set men against each other productively and result in giving growth to the element of competition which everywhere impresses itself upon the observant thought? It does not.

Here is where lies a mistake of economic thought. The real truth of this matter, a truth which has been either concealed or touched but lightly, is that the *division of labor leads not to competition* but to *co-operative* production. The employment of several men upon the production of a given commodity, differentiates or divides the labor, but combines the men into a co-operative community just so long as they are engaged in the specified enterprise. Nor in this regard does it matter if the labor be performed at the same time and place or not. The construction of a pin involves from first to last a large number of manipulations, each manipulation requiring the labor of one man. If one man performs the labor of each manipulation in a succession of intervals and completes the pin from head to point, there is no division of labor, and there is no co-operative production. Competitive production is possible only when the labor is undivided; when it is performed by one person. Just so soon as two men are engaged in the construction of a given article, whether they work together or not, just so soon competitive production ceases and co-operative production begins.

A pair of shoes from the time the raw material reaches the factory to the moment it passes into the hands of the wholesale merchants passes through the hands of twenty-five operatives. When, in the good old time gone by, a single shoemaker with his kit of tools took the leather, and turned out a pair of boots, he was engaged so far as himself was concerned in individual competitive production; but the twenty five men, who now operate in producing a similar pair of boots, are bound together by raw material of the commodity, into joint, co-operative or social production.

This rational proposition is easily illustrated by an abundant array of similar facts to be gathered from any source where enterprise is in active progress. In the construction and operation of thousands of miles of railway, the graders, track-layers, locomotive, manufacturers, conductors, brakesmen, surveyors, financiers or promotors are engaged in co-operative production. This is true, whether all are engaged in labor at one or a hundred different places or occasions.

It is not difficult to convince one's self that the vast bulk of production effected through the impress of human labor, is carried forward throughout the civilized world, not under the principle of competiton, but under the governing force of co-operation.

It will then be inquired, where, if not in the process of production, is the competition everywhere so palpable to perception to be found? Where does it originate? What is this struggle which is testing the powers of humanity to their utmost, bringing wealth to a few, moderate means and poverty to others all about? Around what motive does it center and spend its force?

The true answer is that it is connected entirely and exclusively with the *distribution and consumption of wealth* and not its production. As concerns the process of production, general activity, with peace and harmony prevails, but the struggle, contention, competition of industrial life, begins at the point where the results of production are to be segregated and assigned.

What has been inaptly termed the competitive system of industry, more accurately proletarianism,—has gradually arisen throughout the world on the equally gradual disappearance of chattel slavery. To the present time the industrial life of the world may be aptly divided into three successive periods; neither type in its purity prevailing exclusively at one time, but each overlapping and commingling with the other in varying proportion and changing degree; the first passing to the second and the second to the third by easy and in some instances almost imperceptible gradations. The first period is that of patriarchal slavery; the second that of chattel slavery, and the third, that which is now generally prevailing, proletarianism or what is known as the wage and too often denominated the competitive system. During those periods when both forms of slavery, patriarchal and chattel, prevailed, no dispute or contention existed regarding commodities produced then as now by co-operative labor. The patriarch in one case and the master or owner in the other, took the entire product without protest, and fulfilled his duties to then existing society, by caring and providing for the slaves who labored under his management.

The interest of both were best subserved by this course. One form of property in commodity was applied to the existence and protection of the other form of property in slaves, whose comfort and health

were needful to the master to carry forward further production.

But as chattel slavery gradually disappeared, as the slave was liber ated from the direct dictation of the master, he came, through a change of circumstances, under indirect control and disposal. Manumission relieved the master from all obligations and the former slave from the right to subsistence, which before had been his. Each was personally free to do as he liked; but the master retained ownership of all he previously owned; which included the land, raw material on which slaves labored and wrought, provisions which alone sustained their existence and implements and machinery by which labor had been made more effective, while the slaves went out stripped of the entire natural sources of wealth and social means of self employment and sustenance.

In this condition the master could, if he chose, live by his own labor, while the slave was deprived of all the opportunities and facilities of labor; hence of livlihood. But the master, indisposed to do the labor, formerly performed by the quondam slav e, and attracted by the profits of commerce, found it, not necessary to his own existence, but convenient and profitable to afford the former slave employment as a free laborer on and through the only means of employment accessible to the latter, and from which he had been excluded by the accepted terms of his manumission, and he was so employed.

Hence, following the order of nature and the history of productive labor, commenced that system of *industrial contracts* which binds the world into co-operative production; but, wherein the contracting parties, contrary to the commonly accepted and promulgated belief, stand on extremely unequal ground. The former master, now the employer, being in posession of all the materials of production, and being able to apply his own labor in self-support, or to live in primitive style from nature's own products, is prompted to his contracts by no personal necessity, while the former slave—now an employee—being driven from the sources of his existence by ownerships of the employer, is forced through the imperative necessity of his own existence, to *accept any contract offered.*

The contract of the employer under these conditions, is voluntarily made, while the contract of the employee is involuntary and lacks the essential of an equitable and binding contract, viz, consent. A fair statement of the equity of all contracts between employers and employees is, that voluntary action or real consent is possible, and usually active and efficient on one side, and impossible and usually absent on the other. At this point is to be found the pith and marrow of the universal absence of justice, which attaches to the distribution of wealth. At this point the struggle for wealth begins.

Moreover, according to W. T. Thornton and other writers on "Labour," this unequal power of contract, in conjunction with the

right to protection of person or property, * are the only rights possessed by a majority of the world's workers, the employees; while to the balance, the employers, go the entire means of employment and sources of wealth! Such sentiments applied to the natural right of man, are worthy only of minds blinded by the dust and evil of what *is*, and what has come up through the *centuries*, rather than inspired by the faith and justice of what ought *to be.*

However, in connection with this bastard, unequal, unjust system of contract, rankly originated the competition which seems to many to be, alone, the inspiring genius of industrial life. In this contention for better, contracts, or what is virtually the same, in this contention over the *result* of labor, which has from the earliest times been co-operative, arises the competitive struggle and contest that has given false name to a system of production, in nature actually social or co operative. It is none other than if a dozen boys had combined under the direction of one of their number to manufacture a lot of marbles, whistles and tops and then inaugurate a "set to" to determine who should retain and use the larger part of the results of their joint labor.

This contention, among the boys, would aptly epitomize that phase of proletarianism which, regulated by laws against fraud and violence and sustained by custom, prejudice and ignorance, is commonly known as competition. It commenees in civil and industrial life, in implied or expressed contracts with a stronger, more capable, more favorably conditional party of one part, and a weaker more ignorant, despoiled-of-his-interest-in-the-common-heritage party of the other part.

And yet this unequal basis for the making of contracts is regarded by legal writers and by economic writers like Thornton, as just and equitable; just and equitable that a small proportion of the world's population should appropriate the natural sources of wealth and the social appliances of production and hedge themselves about and fortify their holdings by laws and enactments of their own making; scrupulously just that contracts so made, should be regarded as sacred and binding on the weaker party to them, as on the stronger party thereto!

Thus far in this discussion, it has been pointed out that the division of labor leads of necessity to a co-operative production; and the legal ownership and control of the natural sources of wealth and social appliances of production, and of consequence, the legal ownership and control of the products by a small party, originates the struggle throughout the industrial world, which is known as competition. It is natural inherent, inalienable rights struggling with statute rights.

If every man, possessed the means of self employment and pro-

*Thornton, on Labor, Page 106.

duced by, and for himself, then the struggle for the results would be abridged or nullified. Competition might then be placed on an easy and equitable basis. It would assume the more friendly form of emulation, without involving a question of ownership or distribution of the products. Every man would do his best work, in order to effect the exchanges which his wants demanded; but there would of necessity be absent, the struggle for ownership—ownership following as a result of production—which constitutes at the present day, the underlying motive for the fierce struggle, which everywhere prevails. But such individulism is as fully, even more, a Utopia, than the alleged Utopia of a social system of which much has been alleged and predicted; for, as has been pointed out, and can be fully shown, all forms and phases of production have drifted, after lingering a moment in the arena of competition or individual operation, into the co-operative or social. So long as one man from an innate desire and adaptibility, selects to do a certain form of labor, so long will division of labor remain an absolute necessity; and so long as a division of labor exists, no form of production other than co-operative or social, is or can be.

The most favorable points from which to study the principal of the several sources of the competitive phase of the industrial system,—which however, is competitive only as regards consumption and distribution—are those where a large body of chattel slaves have been set free at one time; where the relations between master and slave have ceased, and that of employer and employee have followed. The manumission of the slaves of West India by the British government after the agitation by Wilberforce against the existence of chattel slavery within British dominions, affords perhaps, the best opportunity; and on a larger scale, though affected by the perturbing influence of war, the next most feasible point from which to make the study, is the occasion of the manumission of the slaves of the Southern States by President Lincoln. The student of economic science who is desirous of verifying or disproving the position here taken regarding that phase of competition involved in the relation of employer and employee, will find in these instances ample field for his consideration.

It is not contended that all competition originated in this new relation between former master and slave. It would only overlook another important source of competition, in which however, the animus—the struggle for the result of production—remains the same. Competition impregnates the entire *personelle* of the system as it now exists. We find competition of employers with each other to secure the profits which have arisen and continually arise from commerce. Undoubtedly, discovery, travel and the rise of commerce have been the historical occasions of the origin of competition among employers. Long before chattel slavery had given place to the wage

system, slave owners were engaged to some small extent in the competitive strife among themselves for the results of production, through such meager marts of exchange as could be sustained where the larger mass of producers were chattels. It is easy to see, however, that exchanges of no great extent or variety could be—have not been—sustained, where nine tenths of the population, possessing no purchasing power, were incapable of becoming purchasers, and it is furthermore a warrantable inference as well as a matter of fact, that before the manumission of slaves, competition among masters was inactive and unimportant. The American slave owners were among the last of the class and enjoyed the benefits of exchange originated by other sections of the country and other nations, and conducted under the auspices of personal or direct freedom; but even among them, competition was of a low degree of intensity. Most of the exchanges entered into were conducted for the benefit of their slaves. Few of the masters ever became rich, as contrasted with the rich of twenty-five years thereafter, because the products of their social production in connection with their slaves were more equitably distributed than since then, and because the end of their production was rather use, as applied to the support of those dependent upon them, than profit and material grandeur for themselves. Industrial competition, from whatever standpoint observed, and whether considered as to its origin or growth, has been closely connected with, and to a manifest extent, was and is the result of the change from chattel slavery to proletarianism; and everywhere its essence has been to secure with the least possible labor, the largest amount of those commodities produced by previous or concurrent cooperative labor. A friendly and efficient emulation resulting in the betterment of the production, is a concomitant of and attaches to co-operative production with an affinity and strength more than equal to its attachment to the spirit and progress of competitive distribution. Emulation establishes a better product; competition determines its ownership.

But the prominent thought desired to be impressed on the mind of the reader is that competition among individual employers, competition between employers and employees, and competition among individual employees is everywhere a struggle among men, the mass of them freed from direct slavery, for the products of a production which is now, and ever has been co-operative or social.

We talk and write of our competitive system; but all methodical writers evince a consciousness more or less distinct, in their vaguely expressed thoughts, that it is an uncertain element. They have rarely analyzed the conception to ascertain its exact truth. The real truth is the industrial world has no system; it is in a transition stage, and is hesitating between the acceptance of co-operation in dstribution, or a return to competition in production. It is straddling the

fence, with the leg of co-operative production firmly fixed on the other and progressive side, and the leg of competitive distribution, or the conservative leg, in the rear. It stands as political principles stood in the early part of the nineteenth century, when Napoleon said that Europe must become all cossack or all republican; it hangs back in the march of progress as when Seward, before the War of the American Rebellion, uttered the prophetic statement that labor in the United States must become all slave or all free, and proclaimed the "irrepressible conflict."

It requires no prophetic vision to see that co-opeartive production must cease, or co-operative distribution must be harnessed to the chariot of progress with it; and that the ineradicable instincts of even-handed justice have already inaugurated another irrepressible conflic; that before we can have an industrial system worthy to be so termed, both production and distribution must become either competitive and individual, or co-operative and social.

FURTHER ANALYSIS OF NATIONAL WEALTH AND POVERTY.

CHAPTER VI., SECTION II.

The previous section was devoted to establishing the truth that production has become wholly co-operative, and that distribution yet remains principally competitive; and to announcing the proposition that before we may boast of an industrial system worthy the name, production must again take on primitive conditions and become all individual and competitive, or distribution must advance and become all co-operative, carrying with its advance that satisfying equity which underlies and sustains the movements of co-operation. Acts of production scarcely touch questions of equity, but the processes of distribution introduce them at once, and the struggle for its universal establishment is the essence of that more palpable struggle which now agitates the industrial world.

Let us pass the topics just mentioned and enter more particularly upon that general topic which now demands our attention; viz., national wealth and poverty. Let us inquire what is wealth; how it is differentiated and defined; how produced and increased, and through what causes, and the operation of what measures, poverty spreads its dark cloud over lands prolific in all the essential elements of wealth.

Wealth is a positive, perceptible and tangible entity, and its production and increase rest upon the effective use of positive and active agencies. It consists essentially of certain values found in nature and brought into existence by natural agencies, to which, often, are added other values produced by human effort; values embodying certain inherent or applied qualities adapted to supply of human want, to increase the effectiveness of human effort, and to contribute to the development of human character.

Poverty is a negative proposition. It is but pure, intangible, deficiency, and rests upon the decreased action or cessation of productive agencies, natural and human.

The production of wealth, considered broadly and deeply, is effected by the efficient operation of active and passive forces, on raw material. It will be noted that in all fields of production, active and passive agencies are universally associated in the achievement of results, and that these operations are concentrated around and upon some form of matter undergoing adaptive changes. This principle of concentration—two upon one—is notable in the domains of both nature and art. In the construction of a horse-shoe by the blacksmith the passive force lies in the anvil, which supports the raw iron

and resists the blows which fall upon it. The active force is in the blacksmith's arm, and the raw material is the heated iron, to be transformed into a horseshoe. In the grinding of wheat the passive force lies in the lower millstone, the active force in the upper millstone, and the wheat constitutes the raw material which is to be transformed into bran, middlings and flour. The production of a ton of wheat involves the same factors. The passive force thereto is the land—including moisture and air; the active force embraces heat, light, electricity, terrestrial magnetism, chemical affinity and cohesion, and the raw material is the seed upon which these forces act and react. Birds and other oviparous animals come into being through operation of the same forces, acting and re-acting on the previously impregnated egg; impregnation falling under the same generalization. The passive force is the nest or womb, and the active force the heat and magnetism of the mother. In diversified forms and multitudinous phases, animal wealth, like natural wealth in the mineral and vegetable kingdoms, is the result of a play of forces, the active against the passive, and on matter. One needs but to reflect momentarily to understand that all production centers about raw material, embodied in the animal egg, the vegetable seed and the mineral atom, and that the increase and decrease of corresponding forms of wealth—riches or poverty—are achieved by increased or decreased action and re-action of these forces. Nor does it matter how complicated become the processes, nor how human labor, mental and manual, supported by tools, implements and machinery of interminable variety, becomes commingled with the intricate and complex processes of nature; the principle here adduced is traceable through it all. In a single utterance, production of wealth, spiritual or material, natural or artificial, is the result of incessant action and re-action of the forces upon raw material, through which the raw becomes ripened and adapted to use.

This teaching is somewhat apart, if not antagonistic, to the current teachings of economic writers, who recognize that only as wealth which has been produced by human labor; whether economic writers are in error in this regard is determinable by reference to facts and definitions. The commonly accepted definition—viz., that wealth is whatever gratifies human desire—at once demonstrates the error; for nature, unassisted by human labor, through the operation of the forces on matter, produces many things which not only gratify but fully satisfy human desire. Fruits, berries, grains, nuts, and vegetables in vast varieties and immense quantities are found in nature's granaries, fully adapted, through the natural development of exquisite qualities, to the gratification of human desire and the supply of human want. Animals for service and food, game that crowds the forests and fish which fill the streams and school the ocean coasts, are

fully adapted by nature to gratify gastronomic desires and fastidious tastes. They need but be taken, reduced to convenient forms and used. What form of food is or can be made more perfect than pure milk? It is natural wealth. Nothing slakes human thirst more completely than pure water, and nothing but oxygen of the circumambient air can satisfy the desire for fresh, decarbonized blood. It is especially near the equator, and within the vegetable kingdom, where nature performs and completes her most perfect work of adaptation, and where natural wealth abounds in such varieties and amounts that human labor is but little required to secure existence. Do not these things, produced without the interference or assistance of human labor, come clearly within the bounds of the best definitions of wealth? Hence, another departure from the teachings of most economic writers is unavoidable. Wealth must be placed under two subdivisions; viz., *natural* and *artificial*—the former produced by efforts of the natural forces, the latter by the efforts of man; or, on one hand, by creative labor, on the other, by human labor.

Another condition connected with the definition of wealth it is well to regard; viz., that through whatever evolution and aggregation of values, and to whatever point of perfection short of complete adaptation to the supply of want, the productive process may have advanced, the values so aggregated and harmonized cannot be regarded as wealth. Short of the line of maximum adaptation, values so aggregated will remain as material, more or less raw, more or less ripe. Not until the clear line of finish, outlined in the purpose for which the product or commodity was designed, has been reached, can any accumulation or aggregation of values, however nearly they may approximate completion, be termed wealth. Commodities, or products, must be finished to the point of utility. There may be values but no utility. There must be values in what we term *wealth*, but we may have values uselessly aggregated in great masses; to constitute wealth they must be gathered in an orderly arrangement around some distinct end of use, and must have reached the fullness of adaption which utility requires.

Below this line of finish, from the first effort to the last, labor can have produced, not wealth, but various grades and degrees of raw material.

Here we draw the line between wealth and capital. It is clear, guided to the truth by these definitions, that much which is commonly embraced under the term *capital* by economic writers is wealth, and, being wealth, cannot logically be termed capital; such, for instance, as tools, implements, machinery, fixtures, buildings, provisions and other products, commodities and structures, which have been completed by labor, creative or human, to the line of finish, adapted

to the supply of human want, increased effectiveness of human effort, and development of human character.

The ordinary use of the term *capital* is confused and involved; nor is the use by economic writers much more lucid or logical. The definition of each author differs from the definition of every other author. It is used indiscriminately with *money*, *wealth*, *education*, *industry* and *labor*. Even the later definition—viz., "wealth used for the production of more wealth"—involves rapid and ridiculous transformations in things which do not and cannot rapidly change. By it, a horse used to plow in the morning is capital; used in the afternoon to transport the family to the park, is wealth. A coat used in business during the day is capital, because it is wealth used in the further production of wealth—in other words, it is then both wealth and capital—in the evening, at a game of billiards, it is wealth alone. To-day, a building used by a company of coopers in the manufacture of barrels is capital; to-morrow, used as a dance-house, it is wealth. A steam-engine used in my lumber sloop is capital; if I transport it to my yacht and use it to propel myself and friends on an excursion of pleasure, it becomes wealth. It is clear that even this definition is crude and inapt; it follows not the *thing* itself, but its *use*; it draws no exclusive or inclusive lines, and points out no unvarying characteristics.

From an extensive comparison of the definitions given by different authors, and from the definition of wealth and its intimate relations with capital and capitalists, it is suggested that capital is raw material, and raw material alone. This definition, in connection with that of wealth, will bring the use of the terms *capital* and *wealth* into harmony, and explain the complicated facts and rapid transformations which now seem to bewilder the closest observers and the clearest reasoners. The capitalist is a pioneer, an enterprising, industrial leader, who, having secured ownership of raw material, originating in monad, seed and egg, carries it through the processes of labor—his own and that of others—to the complete adaptability, finish and ripeness of wealth. All wealth being derived through labor—creative and human—applied to raw material, the capitalist becomes, through business sequences, the owner of wealth, which he uses—without naming it capital—to supply his wants, to render his labor more satisfactory and effective, produce more wealth easily and rapidly, or to develop his character. The real field of wealth is not enlarged, nor the true function of capital is not narrowed, by these definitions.

In connection with propositions already advanced concerning the division of human labor and its relation to co-operation and competition, the instrumentalities whereby and processes through which national wealth is produced and increased are made clear. Produc-

tion and increase involve the unrestricted and vigorous application of all the forces, creative and human, to the amplest abundance of raw material; and when one surveys and analyzes the entire field of operations, he is amazed at the economic egotism which inspires the claim that human labor is the only or principal active producer of national wealth.

It has been assumed by economic writers that national wealth is the aggregate wealth of all citizens. In a more accurate, strict, but limited sense, however, national wealth is what the nation as a corporated organization alone owns—its armaments, harbors, public buildings, parks and other property, which in no sense is or can be claimed by individuals; but, as through taxation the wealth of individuals may be drawn into the national treasury, or appropriated to public use, to the full amount of its value, if required by public emergencies,* the wealth of the individual may be considered as constituting a portion of the national wealth. Whether held by the individual or by the government, it is held for use or consumption; and what the former holds may be taken to preserve the power and efficiency of the *government*, and what the latter holds is held—always theoretically, generally practically—for the use and advantage of the individual citizen.

Are not the already intimate relations between the individual and the nation, of which the former is a constituent unit, forcibly prophetic that the undoubted care of the nation for the citizen in political and civil affairs may be extended more fully to assert and protect the industrial rights of the latter?

As regards national poverty or deficiency, which expresses itself totally in connection with the condition of the individual, it is commonly asserted that, as a condition, it has always existed, and that it must always continue to impair the full activity and enjoyment of large masses of the human race. It is true that poverty has enjoyed a long reign on the earth, but it is equally true that its reign has not been forced on humanity through lack of creative effort in the domain of nature. It is human *inertia*, coupled with human exaction and greed, which has led to the deficiencies of wealth, which we term poverty; *inertia* of comprehensive and effective thought, plan, undertaking and enterprise; *inertia*, not alone of the vast and sluggish body of manual laborers, but coupled with overweening selfishness, of those who have taken the lead and directed the industrial movements of the world; *inertia* of men and women who, already provided with the means of comfort, culture and refinement, might rather turn their energies to the substantial and permanent betterment of the conditions of their fellows than to lives of ease and lux-

* Chief-Justice Marshall says, "The power to tax involves the power to destroy"; again, "If the right to tax exists, it is a right which, in its nature, acknowledges no limit."

ury. What has been, need not, *will not*, always be. The potential energies of man are increasing, and the powers of nature are rapidly advanced to supplement and give effectiveness to human effort; and that paramount obstruction to the equitable distribution of wealth and its corresponding increase, human greed, must gradually yield to the elevating and softening influences of reason and good-will.

In the earlier periods of the several civilizations that have successively appeared and disappeared, wealth was not only scarce, but it was enjoyed by the smallest possible minority. Only the sovereign and a small number of his retainers could nourish their bodies with the choicest and most strengthening forms of food; could array themselves in comfortable, tasteful and rich garments, and shelter themselves in tenements which embodied comfort, luxury and the highest forms of current art. Wealth of the earlier periods was enjoyed, as now, only by those who held the assumed or delegated power to retain control of the sources of wealth and the appliances of production; or, what was more to their mind, to divert to themselves and their own use, through enforced contribution and taxation, the entire surplus wealth of the lands which they occupied and governed. The requisite power was usually held by a military despot, or his established successors and their dependents.

But as the power of the autocrat was subsequently and gradually shared with his dependents, as the plutocracy attained prestige and position, derived peaceably or wrested violently from the theretofore irresponsible sovereign, the sources of wealth and the existing appliances of production fell slowly and insensibly into the control of a much larger proportion of the population, which thereby came into possession of the wealth derived therefrom. The proportion, however, even with the later civilizations, was always small; for in Rome, during its wealthiest periods, scarcely more than five hundred, of the many millions who populated Italy and the outlying provinces, could be said to rank among the opulent.

But when the unrestricted will of military chieftains and hereditary despots began to be limited by constitutional law; when the *noblesse* had established their rights in the statute; when chattel slavery had melted away before the rising sun of individual liberty, and the manhood of slave as well as master began to be recognized; when the struggle for individual existence had been stimulated by the uncared-for exigencies and unsupplied wants of the former slave, through the vigorous operation of varied influences and progressive forces, a gradual and more complete dissemination of the natural sources of wealth and social appliances of production, of land, raw material, provisions, implements and mechanisms of manufacture, and means of exchange—was manifested, and the advantages, comforts and insignia of opulence which attached at first and alone to the conquer-

ing despot and his immediate retainers, were more and more diffused and enjoyed by a larger and larger circle of the human race.

Even under these conditions, which were proximately realized in Europe during portions of what have been termed the Middle Ages, the *quantity* of wealth as contrasted with the exuberance of the present, though more evenly distributed, was small. Subsequently, under the auspices of republican institutions, and of those monarchies the power of whose sovereigns was progressively limited by constitutional concessions, under the stimulus of individual liberty and the development of general intelligence in such countries as Switzerland with its social polity, France with its divided lands, America with its new and unappropriated territory, and England through her world-wide commercial interests, through discovery and utilization of natural laws and unleashing of natural forces, through the division of opportunities incident to rapid development and unrestricted personal freedom, distribution of the sources of wealth in some instances, and of produced wealth in others, was not only tendered to larger numbers, but the bulk of wealth was vastly increased.

In the midst of these remarkable developments, these progressive distributions of the sources of wealth and the appliances and results of production, these onward movements of the industrial masses from industrial tyranny and exactions, of political and civil despotism, the seed of a new industrial regime was planted—a regime inaugurated on the abolition of chattel slavery and the establishment of the relation between employer and employee, which has developed a tendency and controling power antagonistic to the present material well-being of the world's dependent workers, as, in earlier days was the despotism of autocratic rulers.

While chattel slavery, permitted and sustained by the older military and civil despotisms, held its subjects by fetter and thong, and drove them to labor by whip and goad, it was responsible for food, raiment, shelter and general care. On the other hand, the new industrial regime withdrew not only fetter and goad on one hand, but responsibility for food, raiment, shelter and general care on the other; and at the same time excluded the freedman from the means of self-employment and sources of subsistence. An old form of dependence was broken and a new form enforced. In the former the man was driven to rely on his master, in the latter on the land owner and employer. Personal freedom was accorded, but the slavery of conditions—exclusion from the only sources of supply and means of existence—was substituted. The former incited to toil through fear of bodily pain, the latter through fear of misery and death by starvation. The slave lost the legal right to subsistence at the hands of his master, and gained the legal right to command his own body and *enter on a struggle* for his natural interest in the common heri-

tage, and his natural right to retain and live on the results of his own labor; but, being absolved from direct servitude to the person, he was re-inslaved by conditions, and driven back to the former master, who held him again, not through fear of bodily injury, but through fear of physical misery and starvation.

Who will assert that emancipation was of great advantage to the slave? The gain certainly does not at once appear in betterment of material conditions. On the contrary, in that direction, much was at first lost; but the change was an initiatory step to a broader and deeper movement, which tended to make the slave a man, and place him ultimately, through an industrial unfoldment not yet completed, on a soil and in an atmosphere where freedom from dependence and the fullest liberty is attainable. To become a man he must first cease to look to another man for subsistence, and must turn first to himself and second to nature, in self supply of his own wants. The new conditions, while overburdened with objective evils and circumstantial difficulties, abounded in the subjective germs of present good and future advancement. They embodied and stimulated to life the sum of those interior principles and exterior forces, through whose interactive energies the some-time industrial system of the world is destined to unfold and expand. Differing from the subjective and objective conditions of chattel slavery, from the ashes of which they sprung, they stimulated the choices of the individual will, incited to the acquirement of individual knowledge, and encouraged individual, self-segregating and independent action. Like other men, crowded with the burden of a great desire, and seeing in its consummation the sum of all happiness, the freedman did not at first realize that his efforts were handicapped by want of free opportunities through which he could provide for his wants. He did not recognize that he was fettered by social conditions; that he was launching into a new life, despoiled by statute law of his equitable interest in the necessary means of existence; but, joyed with the, to him, great fact of personal liberty, went, because irresistibly driven, cheerfully because remonstrance, with existing institutions and laws was useless, to his former master for the means of subsistence. He found the food for the germ of this new and independent manhood must be fought for with an energy born of desperation. His old master was yet his master.

In one sense, however, they met on equal terms; each—the freedman within very narrow limits—could command his own choices and his own actions, and they found a narrow arena where their present and future interests determined them to certain agreements which would save the freedman from starvation and give the master the benefit of the freedman's labor as before. The mutuality of these common interests is to be judged by their character, the former

and subsequent relations between the parties, and the ultimate results to both.

Through this necessity of subsistence on part of the freedman, and the desire to live with as little labor as possible on part of the owner of subsistence, for the old relations of master and slave, were substituted three new and possible relations between the same parties; first employer and employee, second lessor and lessee, and third seller and purchaser.

It was possible for either party to escape these new relations through one of two or three avenues of exit—avenues always open to the master, rarely open to the freedman. As to the master, he could live in a primitive fashion from the results of creative labor; from the natural wealth which he could gather in the form of berries, fruits, nuts, vegetables and grains, or catch in the form of fish, fowl and land animals from the territorial domains which he had previously cultivated through slave labor. Again, it was possible for him to apply his own labor through existing appliances of production in agriculture and manufacture, and thus supply his wants without resort to new relations with the freedman. In either of these conditions he was the personification of pure industrial individualism and isolated independence. He produces what he consumes, and consumes alone what he produces.

As regards the freedman, his escape from one of these three new relations, irrespective of charity and the violation of statute law and established custom, is attainable only through settlement on the common land in his immediate neighborhood—if there be any—or emigration to locations, domestic or foreign, where land may be obtained for the smallest possible compensation of toil or struggle, peaceful or warlike. Since the discovery and opening of new countries, whose inhabitants dedicated their efforts to the chase or to herding, t is escape from the condition of social slavery—the slavery of circumstance—has been opened wide, and millions of Europeans have availed themselves of the new opportunities to relieve themselves from dependence on those oppressive conditions which everywhere, directly or indirectly, sooner or later, have followed chattel emancipation.

We assume, however, that neither the master nor the slave, former relations having been dissolved by emancipation, desire to escape th : new relations or their logical sequences. These relations, as already noted, are that of *employer* and *employee*, of *lessor* and *lessee*, of *seller* and *purchaser*, and it is interesting to note, in passing, how the avoidance or acceptance of individual responsibility, and hence the decline or increase of individual growth, is associated with each one of these new relations. The life of the slave was without responsibility; the life of an employee involves provision for self from wages

received, without further interest in the product. In this relation, the responsibility of employer is less than that of master, of employee, is by the same weight greater, than that of slave.

But, this discussion concerns the increase and distribution of wealth more than the development of human character. Let us consider the relation of employer and employee, and how it affects, economically, both parties to the preliminary compact, and its ultimate results. This compact involves what is legally termed a *contract*, and implies equality and freedom, and therefore *consent* to the stipulated terms. The inequality of the parties is in this; that the employer is absolutely independent, through ownership of the entire natural and social means of employment, while the employee is absolutely dependent, possessing only his own person. As a last resort, the employee, so situated, *must accept the terms* of the employer. But, from this unequal standpoint, the relation of employer and employee is established, and it is reasonable to suppose the employer will not only hold but increase his advantages from cycle to cycle of production. In fact, he does, through accumulations, which are derived largely from that which, under natural or divine law, belongs in equity to the employee. The employer's interests are conserved by statute law; the interests of the employee await the establishment of natural or divine law. In the meantime he must expect despoilment, and it comes through the following means. The entire products of this compact are embraced in the natural values produced by creative labor and the artificial values produced by human labor. The means of employment being owned by the employer, the results of employment fall entirely into his hands. To the employee he pays wages which represent a small portion of the values produced through this co-operative effort. In equity—not in law—wages should represent a proximately equal interest in the total values produced, because of the equal interest of each in the common heritage and values derived therefrom, and the equal labor bestowed by each thereon and the values produced thereby. Whatever is retained by the employer more than his portion of the total values so produced is retained by virtue of his legalized ownership—an ownership opposed by equity and natural law—of all the common heritage and his current exclusion of the employee therefrom.

This percentage taken from the employee by the employer, over and above what the latter has produced and inherited, is termed *profit*, and the phase of production that admits this exaction is termed *production for profit*, to distinguish it from *production for use*, in which equity is regarded. It is through this exaction of profit that the employer becomes rich and the employee remains poor.

But, there is another percentage of profit which the employer takes not from the employee but from the consumer. When the product

or commodity is transferred to market, and demand is found strong and supply small, he takes in gold a new percentage of values over and above the real values embodied in his commodity. This is the temporary price of the goods, and is pure, unadulterated exaction.

Let us next consider the new relation of lessor and lessee. The entire difficulty under which the new freedman labors is legal exclusion from the means of employment, from his equitable interests in the common heritage, natural and social. Observing the rapidity of accumulation by his employer, the employee pursuades himself that through the management of his own labor he may advance his own interests more rapidly.

Unwilling to risk the purchase of land and assume entire responsibility of production, he determines to become a self-employee through lease of land and tools, implements and machinery, and purchase of provisions. Here commences another negotiation in which the former employer, now lessor, holds all the points of advantage. Compensation for the use of land is at once demanded, and to the demand forced consent is given. A contract, written or verbal, is closed, and the former slave, now lessee, is confronted with the payment of rent. According to natural equity, the land required to furnish him employment is his own; and the natural values produced thereon by creative labor are also justly his, as well as the values produced by his own labor. In this case, no confusion of thought is possible, as might easily be with the former relation. Rent is a clear exaction on the part of the lessor, in which he is sustained by statute law against the equities of natural or divine law; an exaction in which no equity of labor applied can be introduced by the lessor, and, unless products have been in great demand and prices high, the lessee finds that the exaction of rent leaves him ultimately without greater progress toward his emancipation from the new slavery than if, with less responsibility, he had remained an employee. Profit and rent have played the *same* game with his prospects. In the meantime, without labor and with less responsibility, the accumulations of the former master, now lessor, have constantly increased, taken, as are both, from the laborer's equitable interest in the common heritage and from the results of his labor.

The other new and possible relation—third and last—between the two parties is that of seller and purchaser. The same legal exclusion from his interest in the common heritage moves him to make this last attempt and accept the extreme responsibility. He determines to purchase access to his interest in the common heritage, the natural and social means of self-employment; to ransom his inheritance from the possession of those who, through statute law, have robbed him of it. He is also incited to this new relation by the possible high prices of products, and the probable advance in the

price of land. He hopes to secure these advantages, as he has occasionally seen the employer and lessor do. He enters into a contract to pay a given sum for a given area of land; but he is at once met with the inquiry, "Where is my purchasing power?" He has none. He is a poor freedman. But the matter is arranged by another device of this regime, prolific in financial devices. The credit system is inaugurated. He buys the land, but owes for it, and on his debt a percentage of interest is annually taken, large enough to draw from him the net results of his new enterprise, increased responsibility and arduous labor. Or, he may borrow the money, pay the vendor for his land, and interest to a third party. It is all the same. Exclusion from his equities in the common heritage, natural and social, is the prime and principal cause of interest, as it is of rent. The result, extraordinaries excepted, is the same to him as purchaser, and to the other party as vendor, as to him as lessee or employee, and the other party as lessor or employer. He obtains subsistence as he did when slave, employee or lessee, and remains poor as then, while the other party lives from labor not his own, and accumulates wealth as he did when he was master, employer or lessor.

It is clear, therefore, that the economic games of profit, rent or interest are the same game, under different names and disguises, and bring the same results to those who willingly or unwillingly play at them. Modern governments have assumed to own land, raw material and the natural appliances of production, the real ownership of which is vested in Almighty God, have sold it to Tom, Dick and Harry, and excluded the other heirs, of a common Father, from their heritage.

This diversion was undertaken to portray the subtle elements of that industrial regime which has succeeded the regime of chattel slavery, to show through what causes and methods, wealth, the distribution of which had escaped the domination of military and civil despots, has again fallen under the new concentrating forces and processes of modern private enterprise. The amount of wealth, as contrasted with former times, is enormous; and its concentration has so much more than kept pace with production that, though the sum of wealth has been vastly increased, relatively, the poor are poorer and the rich richer than at any other period of national or social growth.

Kings and potentates, who formerly held national wealth subject to their despoiling caprices, are now the subjects of this industrial *imperium in imperio*. Where once they commanded they now obey. The real kings are industrial kings.

DEMAND AND THE RESULTS OF PROFIT.

CHAPTER VI., SECTION IV.

An erroneous impression prevails in most communities, that the production of wealth reaches, in every cycle, the highest possible maximum. This impression is sustained by the frequent assertion that, at one time and another, at one place or another, *demand* for various commodities has ceased. On the heels of this oft-repeated assertion, and explanatory thereof, arises the well-known cry of *over-production*, and, as a logical sequence, general activity, through which the aggregate of national wealth is created, is systematically suppressed, and production is cruelly arrested.

Let us consider these impressions, assertions and events in their order, and separate the truth from the error; and, first, as to the nature and power of the term demand. It is distinctly assumed that the *absence* of *demand* is the first of a series of facts, which, at once, obstructs, and subsequently arrests production.

Psychologically and subjectively considered, demand, want and consuming capacity are convertible or closely related terms. One demands what he wants, and wants what he demands; he wants up to the fullness of his consuming capacity, and when consuming capacity is filled to the line of satiety wants no more. Demand is the prerogative of consumers, as supply is the function of producers.

An occult element is embodied in the term demand which is absent in the term want. That element is *purchasing power*. I demand only when I have purchasing power. I want even when I have no purchasing power. Economically and objectively considered, demand must always be, want may or may not be, buttressed and sustained by ample purchasing power. Want, or subjective, unsupplied consuming capacity, maintains an even movement, or undergoes a constant and steady national increase, while the presence or absence of purchasing power depends on the will of those who control its origin, manage the details of its development and distribute the sums of money that represent, support and make it efficient.

The importance of purchasing power can hardly be over-estimated. What is usually termed exchange—the instrumentality through which products pass from producers to consumers—is nothing more or less than the current process of sale and purchase. A seller on one side, a purchaser on the other—both by common consent evading the demands of equity—the former disposes of his commodities at the highest possible price, and the latter gets them by purchase at the lowest possible price. At this simple process, the line is distinctly drawn between the two essential factors of industrial economics,

producers and consumers; and when one fully comprehends the truth, that the consumers of a given commodity practically constitute the entire nation, and that the entire want of the nation is suppliable only through purchase, he will then realize the paramount necessity of ample purchasing power. Demand, to be effective, must be sustained by adequate purchasing power, without which it is want unsupplied—poverty with possible beggary, theft or prostitution.

What is purchasing power, and what is its source?

The most common conception of purchasing power is embodied in money, and practically the conception is correct. Nevertheless, this conception does not touch its true or substantial source. The reason why money, paper or bullion, is available to the purchaser, constitutes an effective purchasing power, is because it draws upon any and all those values which are included in the sum total of national wealth. It is not money which satisfies want; it is product, commodity wealth that feeds, clothes, and shelters; and it is certain qualities in products and commodities, calculated to feed, clothe and shelter, and which give them value and make them wantable and therefore exchangeable. It is these fundamental values, evolved by creative labor on one hand, and human labor on the other, that are the objects of want, the basis of exchange and the source of purchasing power. Possession of purchasing power involves the possession of *values*—values in land, water, air, in raw material, and in the active forces—*values* natural and *values* artificial. With values in hand, whatever their nature, I have purchasing power; purchasing power which comes into action just so soon as another, also having values, is, with me, desirous of exchange. Demand does not increase value or purchasing power; it increases price only. The power is present in values, whether utilized or not. On the contrary, however great demand and however monstrous the price offered, if I have no values I have no purchasing power. A kingdom may be offered for a horse, or a birthright for a mess of pottage; if I have no *values* in a horse I cannot purchase the kingdom; if I have no *values* in pottage I can buy no birthright.*

Thus, if I go into the marts of exchange, carrying available light, heat, electricity, chemical power, human labor, land, and, under some

* The position regarding values, assumed in this work—not consonant with teachings of current economic science—is, that values are inherent, and applied; natural values, produced in nature by creative labor, are inherent; artificial values, produced by human labor, are applied. Values are also current, semi-current and deposited; current in the active forces, as heat, light, electricity, magnetism, chemical affinity, human and animal labor; semi-current in the passive forces, as in air, water and land; deposited, in raw material and wealth, as in iron, silver, gold, fruit, vegetables, grains, wood and all forms of natural and manufactured commodity. All these forces, organisms and things embody and embrace *value*, and contribute, under the operation of demand, to *utility*. The arguments and proof in support of these propositions are too voluminous for introduction here; but, as close adherence to the facts of nature and art, and reason supported thereby show, they are conclusive. Fictitious values referred to in the preface are illogical, an erroneous conception, a myth. Rent, profit and interest are merely the means of drawing real values from *laborer* and consumer.

conditions, water or air, commodity in any one of the thousand degrees of adaptability to the supply of human want, increase of human effectiveness or development of human character, I go there with *values*, which, at some ratio, I can exchange for other values. I go with *purchasing power commensurate with the sum of values.* Hence, purchasing power is derived, primarily and substantially, *from nature*, through creative labor, and *from art*, through human labor; and each man's equitable purchasing power is, first, his portion of those values derived from the common heritage—determined by the natural law of proximate equality; and, second, the entire results of his own labor. Do we find it so distributed? By no means. An immense purchasing power is held by a small class of prior men, and a small purchasing power by a large class of later men. Concentrated through prior appropriation, it has been maintained through laws of permanent investiture, by the power of exclusion and the subsequent ability to exact profit, rent and interest from the excluded. The major part of all values—natural and artificial—were gathered into the garners of, and are retained by, a few industrial leaders. To the *exhaustion of purchasing power*, which they control, and not to the *cessation of demand*, therefore, they should ascribe the alleged necessity for suspending the vast engineries of national production; for retiring and impoverishing a large army of dependent laborers, and for arresting the normal increase of national wealth. The cry of *overproduction* also is misleading. It is raised usually when national *consuming capacity* calls loudest for products, and commodities to supply *want*—want stimulated by *underconsumption*, enforced, not by overproduction, but by limitation or exhaustion of purchasing power. The cries of overproduction and cessation of demand rise from the same throats, and are raised by the parties—capitalists—who alone control the purchasing power which would increase demand and exhaust surplus product.

Unlike the animal heart, whose function in national economic life within the national organism capitalists were destined to represent and regulate, having gathered the current of national values to themselves, they retain the rich elements of national comfort and development within the charmed circle of their *own* existence; they have learned the receptive or diastolic function of the circulation, but know, as yet, but little of the distributive or systolic action, or its necessary relation to national prosperity. It must be admitted, however, that the situation of an industrial leader, moved by the spirit of humanity and equity, is not devoid of perplexity. He is one of contending thousands, and to save himself from industrial overthrow he feels driven to current exactions on others, that antagonize his better impulses.* Thus far we have traced the production of national wealth

*This situation is discussed under "Private Enterprise," page 140 and following.

from its origin in the mineral monad, vegetable seed and animal egg, through activities incited and sustained by the active and passive forces; have noted how the division of labor has induced co-operative production; have traced the present industrial condition from its rise in the new relations between former master and slave, after chattel emancipation; have pointed out how the *right of exclusion from means of employment* gave rise to profit through employment, to rent through lease and to interest through purchase; shown the origin of purchasing power, its necessity to the general welfare, and demonstrated the truth, that the incessant exaction of profit, rent and interest, concentrates it among capitalistic producers, and limits and exhausts it among consumers; and that, thereby, national industry and the production of national wealth is uselessly and criminally arrested. Let us follow demonstration into the next section, premising that the *profit* there alluded to embraces both rent and interest.

HOW PROFIT CHECKS PRODUCTION—A MATHEMATICAL DEMONSTRATION.

CHAPTER VI, SECTION V.

But cavilers and critics will urge that the conclusions here reached are but the result of an occult rationality, unsustained by facts; that assertion is one thing, and truth often another.

On the contrary, these conclusions are sustained by authenticated facts and figures; facts and figures which show that commodities gathered through operations in agriculture, manufacture and commerce, into the ownership of industrial leaders, and padded at every step by the fictitious values of profit, rent and interest, can and do find nowhere outside the holdings of capitalists, that purchasing power which sustains the consuming capacity of the nation; a purchasing power capable of clearing the markets, preventing glut, consequent cessation of production, decrease of wealth and increase of poverty.

Every intelligent man knows that all commodities previous to that moment when they are ready for the consumer, belong absolutely and wholly to the employer, and must go from him to the consumer through sale on his part, and purchase on the part of the consumer. How is he, how has he become primarily, how does he remain sole owner and possessor of the entire wealth of the world?

Before we go to the more comprehensive facts and figures, a few words in answer to this question. The position of current economic science, touches value, and hence ownership—for ownership follows only where value is recognized—in a remarkably small spot; viz., it assumes that wealth produced by human labor, alone is possessed of value and is exchangable. This position is false, both as to theory and fact.

The truth is, that values of the most paramount importance existed long before human labor came into operation; values produced by that Power that brought men into existence, the energies of which are in perpetual effort to renew and reproduce them and perfect their adaptability to the supply of human want. These values* are called *natural values*, to distinguish them from those produced by human labor, the values of art, or *artificial values;* and from those *fictitious values*, invented by the brain of men for mutual despoilment and enslavement, commonly known as profit, rent and interest.

These natural values are the common heritage of men; of employers and promotors of production, as well as their followers and assist-

*In this work.

ant employes; and they constitute an unmeasured but vast proportion of the total values which make the purchasing power of every nation. These natural values, through one channel or another, through priority of birth, advent or development, or priority embracing these three characteristics; through conquest, seizure or heredity; through forms of ownership whose origin can not bear a humane and enlightened analysis; these values, which constitute the primitive elements of all wealth, are appropriated and held everywhere through unjust and exclusive laws by the leaders and promotors of industrial enterprise.

And contrary to the teachings of economic science, these values—values in timber, iron, coal, granite, marble, natural oil and gas, in the flesh of fowl, fish and brute; in peltry, feathers and bone; in the salts of the ocean, subterranean spring, inland lake; in myriads of things and structures here, for want of space, unmentionable—equally with those produced by human labor and invented by human wit, are found *in the marts of exchange* throughout the civilized and uncivilized world.

It is these values in conjunction with the fictitious values—the latter made operative and effective by custom and law—which give power, financial and purchasing power in the world's exchanges, compared with which, the values produced by the "hard and true work" of human labor, are almost valueless. It is these values in the United States, which first appear in the hands of 250,000 employers; values, the larger portion of which were destined for the present use and benefit of 50,000,000, and the future use of 500,000,000 people. It is these values which should annually pass from the hands of 250,000 original owners, to the souls and bodies of 50,000,000 consumers, through the legitimate eyelets of sale and purchase. Following a true equation of exchange, these values—natural, artificial and fictitious—should go back, through equable industrial circulation, to the masses, from whose labor and from whose portion of the common heritage they were taken, in the form of fee, salary and wages, and constitute to the latter a purchasing power ample to give every man an equitable portion of the common wealth.

The following figures show that values do not follow an equable circulation, or undergo an equitable distribution. They show furthermore, that an equitable distribution of national wealth is impossible, unless national authorities are invoked to consider, inspect, limit and control the exactions which, under private enterprise, in the name of interest, rent and profit—everywhere countenanced—are continually taxing and impoverishing the employed and producing masses.

The *price* at which the commodities of the United States were

held for the year 1879* was $7,554,395,358. Price includes all values—the pure stuffing of fictitious values, as well as the real worth of natural and artificial values.

At the moment when selling begins, or the moment previous, the entire value here represented in money, is in the hands of employing producers; leaders of industry, capitalists. They constitute the entire purchasing power of the country for a single cycle of production, and are in the power of one party, the employer. Employed labor has done its work and left the goods in the hands of industrial leaders, but stands with open hands ready to receive compensation in wages, salary and fee.

The problem is, how is this mass of values held by employing producers to pass legitimately into the hands of consumers?

They must go out either through compensation for labor in form of wages, salary and fee; through foreign commerce and foreign purchasing power; through an extension of credit with dangers of loss to the seller and financial ruin to the buyer; through private or public charity, which draws a purchasing power of the entire community either through donation or taxation, or through the various forms of illegal robbery.

Let us first consider the power of compensation for labor, to draw these values, through the purchasing power of wages, fee and salary, to those who can consume them, and whose wants if supplied at all, must be supplied by the commodities which embody them. The complete facts are not given in acceptable reports, but some factors are known and by a fair use of those given, the others may be proximately reached.

The productive force of the country in 1879, is given at 17,382,099 persons, of whom 250,000 are estimated as pure employers, and 11, 349,584, as pure employees, leaving 5,782,515, mixed employers and employes, or those who employ themselves.

Segregating to each one of this industrial army his average proportion of the purchasing power of the total purchasing power of the country—his portion of $7,554,395,358—gives each person $435 and a fraction.

Leaving to the self-employers, constituting a class whose earnings are most likely to represent an average, $435 to each person, and the 5,782,515 will take the sum of $2,515,394,025 from the total purchasing power of the country, and absorb commodities of that price.

By separating the number of pure employers from the pure em

*See census report of 1880.

ployes, we arrive at further facts and figures. The employers number 250,000 persons,* the employes, 11,349,584.

Statistics show that the wages or purchasing power of 6,056,471 persons, including agricultural and manufacturing employes, is $1,695,825,895; agricultural laborers numbering 3,323,876 persons, receiving $747,872'100, and manufacturing laborers numbering 2,732,595 persons, receiving $947,953,795. The balance of the employes are distributed to the occupations of trade, transportation, mining and mechanical pursuits and professional and personal services. A few of these persons receive large compensation; but it is reasonable to presume their income does not exceed the average income of the agricultural and manufacturing employee, which is about $280 per annum. If we allow that sum to each employee other than agricultural and manufacturing; we have but to multiply 280 by 5,293'113, the number of persons engaged in trade, transportation, mechanical pursuits, mining, professional and personal service, to ascertain how much they draw from the sum of national purchasing power. The multiplication gives $1,482,071,640, which, added to $1,695,825,895, received by agricultural and manufacturing laborers, aggregates $3,177,897,535, which is paid to 11,349,284 employees, and constitutes their purchasing power.

Of the total values represented by $7,554,395,358, constituting the entire purchasing power of the United States for 1879, the self-employers take the sum of $2,515,394 025, and the employes the sum of $3,177,897,535, leaving for the 250,000 employers $1,861,103,798.

Stating the matter another way, each pure employe secures through compensation of wages, a purchasing power amounting to $280 per annum; each self-employer draws a purchasing power of $435 per year, and each pure employer reserves for himself commodities, a large portion of which he can not consume except through resort to a luxurious and vicious life, which it would require, for the year, a purchasing power of $7,444 to draw from him.

It is reasonable to assume that the average consuming capacity, irrespective of luxuries and rich or royal appointment, is about the average purchasing power; viz., $455 per annum, including the support of two dependants by each producer—the producing force being 17,382,099, and the consuming population between 50 and 60 millions—we have 11,349,584 persons existing below the average consuming capacity by the sum of $155 annually, in order that 250,000 may accumulate yearly $7,009, above what, as average citizens, they should consume. The small deficiency of $155 annually distributed among 11 or 12 millions, and the large excess of $7,009

*Estimated by Hon. S. S. Cox; speech in the House of Representatives, March 20, 1884.

among 250,000, expresses in numbers, the poor condition of the many and the opulent condition of the few.

Through the one channel, compensation for labor, through wages, fee and salary, the mass of commodities held by industrial leaders at the close of 1879, represented by the sum of $7,554,395,358, is vastly reduced. But an immense product represented by $7,444 yet remains for disposal by them down to the line of an average consumption. Put in figures, the average consumption has been shown to be $435 per annum. As pure employers consume more than self-employers—independent laborers—allow for them a triple consumption, $1,305 per annum.* That gives $326,250,000, which, subtracted from the commodities left them after wages and salaries are paid, valued at $1,861,103,798, leaves commodities priced at $1,534,853,798 in their hands, without a dollar of purchasing power to take them up. To dispose of them—for they must be disposed of, and be turned into real estate, which bears rent, or securities which bear interest, or into new enterprise for profit—resort is had to foreign commerce, through which another quota disappears. The power of foreign commerce to absorb these commodities is soon disposed of; its influence is of small importance. The exports of 1879 were $710,493,441; imports, $445,777,775, leaving a balance of exports amounting to $264,661,666; representing commodities which find purchasing power in foreign lands, and relieve productive capitalists, industrial leaders, to that extent. Taking the export balance of $264,661,666 from what remained in hands of employers, leaves yet in their possession commodities with a price set on them of $1,270,192,132. For these goods no direct purchasing power remains, and yet, perishable as they are, they must be sold.

Industrial leaders, have then, another resort, which is really a subtifuge, blunder, or crime against society; viz: the credit system. Without a space on earth where a purchasing power exists capable of buying their goods and giving them an equivalent in return, they resort to *time* for assistance.

It will be noted that we are considering the values involved in a single cycle of production. But other values exist which have been

*This may seem a small allowance for the consumption of a capitalist, but the real consuming power of a capitalist does not exceed that of a laborer; again, capitalists are usually prompted by the animus of saving. Indeed, according to economic science, men become capitalists by saving; if they possess no greater consuming capacity than a laborer, and are more intensely prompted by the economic motive, it is reasonable to suppose they really consume no more than an independent laborer. They do consume more; but mark you, not until they have accumulated enough to enable them to live on the labor of other men, through the fictitious values, the exactions of rent and interest, which through their purchasing power, enforced by custom and law, draws effectively on the mass of constructed commodities. So long as an industrial leader is concerned in accumulation, through saving, that he may at a subsequent time live without labor, he is likely to consume less than a laborer who expends his wages freely. Hence, the estimate of $1,305 per annum for an average industrial leader is superabundant

laid by, in land, houses, fixtures, machinery, furniture, plate and other long-lived products which have a purchasing power of undoubted merit, and if those values—call them fixed values to designate them—can be drawn into the market by liens on them for goods bought on time, more of that excess of commodities held by industrial leaders, can be sold for what is equivalent to cash; better than cash, as goods sold on credit draw interest in one way or another. Men with a purchasing power of $280 or $435 per annum readily take the gilded bait which credit holds out; mortgage or sell their previous accumulations with the belief that personal success in the future, will repay both principal and interest, that excess of purchasing power above their annual income, derived by them from credit extended by capitalists.

It is impossible to state to what extent, resort to the credit system relieves industrial leaders of that load of commodities, for which no ample purchasing power of real value exists; but the result to all parties concerned—sometimes creditors, oftentimes debtors—is attested by the reports of failures made through various commercial agencies.*

The credit system does not actually increase the annual purchasing power; it draws, when successful, fully or in part, on values which constitute a residue from the purchasing power of former years; when unsuccessful in touching reserved values, it is of no advantage whatever to those promoters of industry who commence their distribution of purchasing power valued at $7,554,395,358.

The extension of credit to increase the purchasing power of those whose consuming capacity is rarely filled, is the last business resort of industrial leaders and capitalistic employers to dispose of their goods.

Incidentally charity, public and private, through gift and taxation, tend to diminish the large mass which they hold under their deliberate control. Theft and robbery also operate to increase the purchasing power of the criminal element of the community, but neither charity nor robbery tend greatly to relieve the glut which industrial leaders impose upon themselves and on society, by their accumulative exactions.

We have been considering the operations of a single year—1879—and find that promotors of industrial enterprise, so selfishly manage the entire purchasing power of the nation, that many of their goods produced in the one cycle, must remain in their hands unsold; goods, not considering those sold on credit, or given in charity, or lost by robbery, aggregating a valuation of $1,270,192,152, for

*These failures aggregated in 1882—an intense activity having characterized the years 1879, '80 and '81—$131,647,564; in 1883, $172,874,172, and in 1884, $226,343,427. Report of R. G. Dun & Co.

which consuming capacity is ample, but for which no purchasing power exists.

We have seen that the absence of ample purchasing power is attributable to their own selfish and shortsighted greed; we know that other years—1880, 1881—must increase, did increase this excess of commodities; we know that to sustain this senseless and unjustifiable rapacity, affording a few, through extraordinary exigencies, the opportunities of accumulating vast fortunes, a rigid adherence to the principle of *sale for profit* is maintained; and we know that when goods cannot, to secure selfish and greedy ends, be sold for what is recognized as profit, *production is brought to a disastrous standstill*, and increase of wealth which should be constant, is arrested, and poverty wide spread, extends its gloomy and unsatisfactory pall over the life of the nation.

It is thus conclusively demonstrated by theory, fact and figure, that the onus of blame for this condition of national industrial affairs, that for continued limitation and periodical cessation of wealth—production, and its miserable and baleful results upon the masses of population, industrial leaders, capitalists, are responsible.

REMEDIES.

CHAPTER VI., SECTION VI.

It may not be logical to consider remedies unless there be a disease.

In one sense, the largest, grandest sense conceivable, industrial life is an organizing movement; an evolution through and upon the materials of which, the forces are playing to bring order out of chaos, perfection out of imperfection, maturity out of immaturity. As a whole, it is not a disease. But as these forces press, now here, now there, with disastrous results upon large surfaces of the growing body—the composite social organization—causing misery and degredation to those who suffer the friction incident to the general advance, disease is affirmed and remedies are logically sought.

As regards the remedies or modes of proceedure to be undertaken in the premises, it has been shown that all production is co-operative, and all distribution is competitive; in other words, that capitalists and laborers, peacefully combine while producing the world's wealth, and fiercely struggle—capitalist against capitalist and laborer against laborer, capitalist against laborer, and laborer against capitalist—each to secure for himself and his class, the largest possible results of production for the least possible expenditure of effort or value. It has been shown that the present industrial system, in its orderly evolution, is straddling the fence of the present with the foot of co-operation, progressive, in advance, and competition, conservative, retarding a rapid and complete evolution; that before the industrial factors can properly reach the perfection of a *system*, industrial operations must become all co-operative or competittve; that if production remains co-operative, distribution and consumption must also gradually advance to the co-operative stage, and on the other hand, if distribution remains colored and characterized by the struggles of competition, then to secure harmonious action of the underlying forces, production must return to its primitive and competitive phase.

It may be asserted at once, without fear of successful contradiction, that the present momentum of an orderly evolution, unless society through some inconceivable catastrophy be relegated to its original chaotic conditions, precludes the possibility of return to primitive methods and results. Forward movement is alone attainable. The distribution of the world's commodities, equally and unreservedly with their production, must come under the ameliorating influence of the co-operative principle. The boys of the in-

dustrial world who have so long co-operated in the construction of tops, marbles and tin whistles, and struggled through the productive forces and appliances of exchange, to determine by industrial forces who shall own the products of joint labor, must make a new departure in distributing their commodities; must co-operatively assign to each according to his natural interest in the common heritage and according to the results of his labor.

The comprehensive remedy to be applied to evolve harmony from anarchy, justice from injustice involves some acceptable method of introducing and perfecting co-operative distribution.

What is co-operative distribution?

If ten men, having secured equal values from the common heritage, place those values into a common pool, and co-operate in producing commodities estimated at one thousand dollars, and the result of each man's labor equals the result of every other man's labor, co-operative distribution would assign to each man commodities of the pure or market value of one hundred dollars. This statement modified indefinitely by the real values taken from the common heritage, and the real results achieved by each man's labor will constitute an equitable formula to be used in working out and practicalizing the problems of co-operative distribution.

This formula involves the elimination of all false or fictitious values; of rent, interest and profit, and an equitable distribution of all real values; values produced by labor creative and human.

A similar conclusion is reached, in part, by inference from the position reached in a previous section; viz: that whereas accumulations through profit, interest and rent, tend to aggregate the purchasing power of a nation into the possession of a few persons, and thus impair or destroy the purchasing power of millions, the elimination of profit, rent and interest, would result in effecting its comparatively equitable distribution; the increase of wealth and elimination of poverty. From whatever standpoint we consider efficient remedies, they lead, of necessity, to the simple proposition of a co-operative and equitable distribution of the world's wealth to the world's workers.

But the acquirement of this trinity of fictitious values, which, accumulated in quantities sufficient, and embodied in money, bonds and mortgages, enable men to live, as it has become the ambition of most men to live, without labor, on the labor or from the heritage of other men, constitutes the *end* and motive of modern industrial life; an end intimately associated with, perhaps inseperable from, private individual enterprise.

Private enterprise, which, in the main dominates the industrial world, risen on the downfall of chattle slavery, and emanated from the new life of the former slave, regards directly only the well-being and prosperity of the individual. The other, or next man,

whether he be employee, patron or competitor, is used in one way or another to subserve the interests and enterprises of the individual.

The result has been that the prior and the powerful, disregarding fundamental equities, have continually advanced themselves through exactions upon those born or developed later and feebler, have attained, through the mature intellectual faculties with which they were endowed, and through siezure of the sources of wealth and appliances of production, exclusive and controling leadership of the worlds industrial affairs. They have begun and prosecuted their undertakings as individuals; the entire end of their enterprises having been the fullest supply of their own wants and satisfaction of their own desires, caprices and passions. Their own wants of the most common order having been satisfied, production has not been enlarged and extended over the similar wants of others, but to the establishment of luxurious indulgence, rich and expensive dress, costly furnishings and extravagant equippage. The earth and its natural wealth, society and its organized developments, have been appropriated for all time, as if created only for the satisfaction and prosperity of a prior and favored few. The end of production has been too limited. Labor of the masses, through exclusion from the sources of wealth and means of production, has been forced from them for mere subsistence.* The wants of manuel laborers have received but incidental consideration. Supposed to hold the power of private contract, which, through the violent operation of previous exclusion from their interest in the common heritage, rarely embodies or ensures to them a modicum of substantial justice, they have been left to shift for and content themselves with the possibilities, rather than the equities.

To secure amenity from the disastrious results which are falling upon impoverished millions, through the prevalence of individual enterprise, *the end and scope of production must be so enlarged as to include directly, distinctly and definitely, the rational and equitable wants of every citizen.*

Keeping in view this broad generalization, better results in every way may be reached, not only for the individual untis, but for the nation as an organizing body. Through enlargement of the end and scope of production, national wealth may be increased indefinately, and poverty greatly diminished or eliminated.

To foil the force of this proposition, it may be asserted that already it is the object of private enterprise to supply all want; that employers and leaders of industry undertake and prosecute their enterprises for the benefit of employes and the patronizing community.

*The econimic law of wages is subsistence—suppose the same compensation was meted out inbusirial leaders.

On first blush this assertion seems to be true; in rare instances, may be true. That every thought and artifice is put under contribution to adopt commodities to the wants of consumers, cannot be doubted; but usually the extreme efforts made to adapt products with exactitude to the details of want, are made for the subjective purpose of displacing competitors and securing their patronage and profit; supply of want and patronage being sought and prosecuted only so long as profit is attainable. When purchasing power of patron is exhausted, though his wants are imperative, production for his interest is declined; the poorer the consumer becomes the more intensely he wants, the more absolutely are his wants neglected. At all times they are merely contingent, secondary, accessory to the prime motive of private enterprise, which is individual gain.

Co-operative distribution to be inaugurated, the end and scope of production must be so enlarged and utilized, as not only to include the wants, but to impress the labor of all responsible citizens. It matters not how long the movement to this ideal may require—it must come.

This status is achievable through one of three distinct and successive modes or processes; or more probably it may be realized to the nation through their combined, mutually supportive operation, or through a gradual industrial evolution from the *first* through the *second* to the *third*.

First—Industrial leaders, by common consent and concerted action, may abandon narrow and selfish ends, and irrespective of gain to themselves, holding control of the only means of employment, will furnish permanent occupation to each laborer, with purchasing power adequate to supply the wants of every citizen. In their hands, utility, not only to themselves, but to others, may distinctly impress their purposes and displace as a motive the present exclusive selfishness.

Second—The exactions of capitalists, in forms of interest, rent and profit, may be limited or eliminated by the power of society, operating along the line of control, through the machinery of government. The tendency of such measures is to limit the extent and scope of those exactions which the complete license of private enterprise permits. It is merely palliative as it cannot touch or determine the motive of industrial leaders; cannot enlarge the scope of their purposes.

Third—Whatever is not achievable through the first and second plans, devices or instrumentalities, will needs be undertaken by the third; viz., displacement of present industrial leaders from positions, powers and responsibilities which they have ignorantly, carelessly or viciously subverted from their better uses, and prostituted to private and selfish ends. In other words private enterprise, through a

considerate and progressive movement, must give a place to public enterprise, whose end, theoretically and practically, includes and embodies the welfare and equal advantage of every citizen.

These *three devices* or instrumentalities for affecting an ample enlargement of the ends and scope of productive activity, a scope which will include the economic—and indirectly, the moral, political and civil—welfare of the entire population, will be cursorily discussed in detail.

First, as to the desired end of enlargement, what is to be expected from the industrial forces disposed and operated throughout the civilized world, as they are at present? Can, will private enterprise, conducted by a small minority of the people for their own direct advantage, give that fullness of scope to their operations which the wants of all demand?

The requisite change in the attitude of industrial leaders regarding the interests of their fellows, involves a marked change of disposition and character; a change from exclusive selfishness to inclusive selfishness. No man or class of men can become oblivious of self. The highest ideal maintains *self-care* but includes all others in the same privileges and enjoyments. Desire to supply the wants of mankind with the various commodities, which through an advanced civilization are requisite to comfort and development, should supercede that excessive desire of personal gain which excludes others from like uses and commodities. Attainment to this high ideal of industrial motive may be facilitated by recognizing the truth—that no man made himself before, better or stronger than other men; that his superior faculties, if he possess them, are but endowments from a higher Source, and no right inheres to exericse them in exclusion of fellows from enjoyment of their natural rights. The further truths, that all men alike are equitable inheritors of the natural values brought into existence by creative labor, and that each man, irrespective of the existing inequitable system of private contracts, is justly entitled to the further values created by his own labor, should also tend to inspire capitalisrs with a noble and tender regard for the rights and interests of their fellows.

But surrounded and engulfed in the surging tides of the competitive struggle for the results of production, now tossing the industrial world, are industrial leaders likely to, can they forget their momentary interests and consider a proposition calculated for the benefit of others, and real or seeming disadvantage to themselves?

Are they likely to, is it possible for them to believe that their superior endowments were given them for the purposes of a leadership involving sacrifice of their most intense hopes and fascinating ambitions? History furnishes few or no affirmative illustrations wherein those occupying positions of vantage and power, have vol-

untarily placed others on the seat of vantage and power beside them. The strong individuality of human nature is opposed to such a movement. Power is drawn from the hands of the selfish and tyrannical only by application of opposing power, grown powerful through stimulus of unredressed wrongs.

As motive precedes all thought and action, consideration as to the voluntary acts of capitalists toward an enlargement of the end and scope of production, might be at once dropped. It may be assumed, at once, that private enterprise will do little or nothing through the activities of industrial life toward the ameliorations needed. Indirectly, through public and private charities, through taxation and donation, it will contribute liberally to soften and ameliorate the severest phases of hard existence produced by its own exactions; but little or nothing to remove or abate the causes, the most important of which it controls and promotes. It will not remit its own opportunities for self-agrandizement that the mass of mankind, themselves among the number, may come into unasked and independent enjoyment of the nutritive instrumentalities of of civilized life. This proposition is asserted, of private enterprise as a whole; because, though it may number among its leaders men of the widest sympathies with, and highest asperations for the welfare of the race as a race, the principle drift of its motive leaves every man, regardless of conditions, to struggle out his own life unaided and alone. This is the cruel logic of its existence, and the relentless determination of its activity; logic and determination, the inhumane results of which are modified or assuaged, alone by the warm pulses of a growing human sympathy.

Suppose, however, the motive of the vast majority of industrial leaders, operating through dominant laws and customs, to be expanded to include the welfare of every citizen; what, in the nature and conditions of private enterprise, must be modified or overcome?

If capitalists were to make the end of productive operation, adequate supply to the reasonable wants of all, the majority must be able to control the action of the minority. Unanimity of action voluntary or enforced would be found to be indispensible, Industrial combinations must not only operate in harmony, but in the midst of competitive distribution, must include all pure employers, individual and corporate. A small minority of those who promote and manage industrial affairs, operating on an independent basis and antagonizing the co-operative efforts of the majority, would impair or destroy the more beneficent purposes and achievements of the majority.

A general belief exists in the effectiveness of isolated schemes of co-operative industry; industry combining both production and distribution. It is a mistaken belief. Such enterprises affect favorably

only those included within the scope of their operations; while they tend, like isolated individuals competing against each other, in proportion to the power and scope of the co-operative combination, to make the competitive struggle more fierce and destructive.

The co-operative societies of England, including but a portion of the workers in a given commodity, have grown within a half century to enormous proportions, benefitting, it is alleged, the immediate participants, but carrying the non-participants to lower levels of poverty and degredation. The struggle of isolated co-operative organizations against each other for the patronage of the public, is like the struggle of Titan against Titan. It is only competition, concentrated, deepened, intensified. The number of units is diminished, but the power is increased.

If the hatters of America disassociated from capitalists, were combined in a dozen organizations, each competing against all others for patronage, the competitive struggle would be more intense than now, conducted as is the hat business, by isolated individuals and co-partnerships. Prices of labor and goods would be lower; but if all hatters were combined under one organization, and secured against foreign competition by a protective tariff, prices could be advanced to the satisfaction of all hatters. So long as a single hatter struggles against the balance, or a single combination competes with all other hatters combined, the majority are at the mercy of the small minority. The same principle governs the competition and co-operation of capitalists in their own sphere of action.

Industrial leaders—capitalists—must be able to include all competitors under a single combination, or they can accomplish little toward raising the price of given commodities and the wages of the labor through the efficiency of which they are produced; otherwise they must fail to inaugurate co-operative distribution, and supply to the wants of every citizen, by dispensing an adequate purchasing power.

But let us carry this query a little further. Let us suppose, not only the disposition but the ability of capitalists to combine all producers of a given commodity—ultimately of all commodities—in a vast national-co-operative scheme. Provided the end of production remains as now, what beneficent results may ensue, and who will reap them? What results of disaster will follow, and who will suffer?

On one hand cessation of competition among employers and leaders of industry, advance of prices to consumers, freedom from fear of loss, and certainty of increased gain to members of the guild, and increased purchasing power to employers. Second, possibly, increased wages and enlarged purchasing powers to employees. These two active classes may realize satisfactory benefits.

On the other hand, consumers must needs, through the co-opera-

tive success of employers and employes become the victims of a nationalized monopoly. Increase of price to consumers, who constitute the vast majority of the population; impairment or destruction of their purchasing power.

It appears then—to sum up this point on the foregoing hypothesis—that while a full and efficient combination of the forces engaged in producing a given commodity—for instance, hats or boots—will tend to advance the purchasing power of previously competitive employers and employes, it will tend to decrease the purchasing power of a vast mass of consumers; and that too, regardless of the former purchasing power of any of these parties—employers, employes and consumers—in interest, or the previous relations of that purchasing power to its consuming capacity.

Hence, private enterprise, combined to its fullest productive capacity, does not meet the requirement of the times; for while it builds up and gives larger purchasing power—in cases too, where it was inequitably large—to those embraced in the productive combination it brings disaster to, and impairs or destroys purchasing power—in cases too where purchasing power is already exhausted—of a vast mass of consumers. It is evident that current reliance on the real or possible beneficence of private enterprise is unjustified by the facts and the operation of the forces.

Leaving the motive of private enterprise--viz., production for gain rather than use—unmolested, it may be assumed that a complete combination on the part of employers engaged in the production of a given commodity--such combinations as are in continued process of formation—would result disastrously to other social factions. Not only would consumers be fleeced to the utmost of their purchasing power, but generally employes and the producers of raw material and machinery would be compensated only to the line of possible existence. Increased knowledge and renewed activity of employes to secure higher wages, and the jealousy of consumers to secure lower prices, are the only warrant that serious catastrophies of the like referred to, would be averted.

But private enterprise, to promote effectually the economic well being of every citizen, must advance to and assume another power or prerogative which its very nature antagonizes; it must acquire the authority and power to hold the prroductive factors to harmonious and increasing production, without at the same time, perpetuating unsupplied want, unworthy dependence and poverty.

A complete organization of industrial leaders under the provisions of private enterprise and an enlightened public sentiment, leaves all employes ostensibly in full personal freedom. It is, however, more apparent than real. It is the common sentiment and expression of the times, that free men may labor or not labor, as they choose. It

is a generally believed and promulgated fact, that employers should and do assert no right to force employes to expend their labor on productive enterprises which the former are conducting. It is further generally believed that employers should and do exercise no such power over the so-called laboring portion of the community. If it were generally known that they do so, the generous and liberal sentiment of the age would be shocked.

To both of these general beliefs a denial must be entered. That a right and power should somewhere exist to compel indolent, poor or rich, to perform a reasonable amount of labor, the independence and freedom of the individual, and the interests of society demand. That, in private enterprise, it does not exist in ample efficiency, is evidence that society is not yet organized; that it comes yet far short of that evolutionized perfection which is its destiny. While law prevents—as it should do—the exercise of physical force by one individual over another, by one class over another, its own existence and operation is evidence of the truth that society justly claims and should maintain the right to determine the movement of the individual and the limits of his freedom. It is evident that ample power to control the industrial movements of the individual lies only in organized society. First, openly and directly, the individual does not attempt to control the labor of another; second, but covertly and indirectly he makes perpetual attempt, and with limited success.

Neither law nor public sentiment sanctions an interference with personal freedom, fraught with the semblance of chattel slavery.

Private enterprise, even though it be fully organized as to the employing class, is compelled to permit every man and all masses of men, regardless of the interests of the community to be accommodated by the joint labor of employers and employes; to work or not to work, according to the individual choice. Under present conditions an employer may close his works at any time; an employe may quit his work at any time; both disregarding the wants of the community, whose wants it is their self-chosen duty jointly to supply.

Through this loose-jointed, half organized condition, of which the present generation is too universally proud, patrons of all forms of commodity are continually subjected to various degrees and phases of inconvenience.

Solutions of industrial continuity which manifest themselves in the form of strikes and boycotts on one part, lockouts and blacklisting on another, and losses of accommodation and supply on the third, perpetually fret the peaceful ongoings of natural life. Disagreements of employers and employes, the unbearable tyranny of rings and combinations on the one side, and unconsidered demands and badly managed strikes on the other continually baffle the calcula-

tions, destroy the continuity and mar the symmetrical life and comfort of the body of consumers.

Private enterprise has no conceded right or adequate power of interference or control to protect the interests of a consuming community against the withdrawal of either party to industrial effort; it cannot assure uninterrupted continuity of supply to average purchasing power. Strikes and lockouts result in want, loss and destruction, not only to employers and employes, but great inconvenience and distress to thousands, yes, millions of irresponsible and dependent patrons and consumers.

The strike of the Brooklyn horse-car employes, on Christmas day 1886, threatened to disturb the calculations and convenience of two or three hundred thousand people, a part of whose daily life it was to rely upon that private corporation for transportation.

For weeks, the refusal of the Geary and Sutter street railway companies, of San Francisco, to pay a small advance on previous wages, discommoded, in various ways and degrees, more than fifty thou-thousand people. No power lay in the hands of these private corporations to compel competent men to perform the necessary labor at the wages offered, and the employes who were competent, and who deemed themselves insufficiently remunerated, held no power to compel the payment of these demands. A struggle ensued which broke the continuity of the joint industry and disturbed for weeks, the usual tranquil life of the entire city.

Another strike on the Atlantic coast, commencing with a demonstration on the part of coal companies, to reduce the wages of employes to starvation point, disturbed the peaceful industries, uses and accommodations of an immense population.

It passed from organization to organization until 50,000 men had quit work. The manufacturing and commercial operations of 20,-000,000 people were interrupted. Indirectly the industries of two continents were affected. These solutions of industrial continuity, incident to private enterprise, are likely at any moment, through the inherent antagonism of industrial factors, to be precipitated upon the peaceful and regular life of all nations; solutions and disturbances, the baneful effects of which, it possesses no adequate power to avert. Its principal means of holding the industrial world to harmonious and continuous activity—i. e., private contract—it impairs and perverts through its habitual disregard for the rights and interests of others. Conducted to the end of personal greed, reckless of even-handed justice, and rigidly administered to its logical results, through incessant conflicts for the results of production—through strikes and lockouts—it is destined, so long as it dominates industrial life, frequently to perturb and distress the society it serves, to its extremest confines.

PRIVATE ENTERPRISE OPERATING FROM ITS OWN MOTIVES AND UNDER ITS OWN CONTROL.

CHAPTER VI., SECTION VII.

But while private enterprise possesses no recognized right to control the employee, or coerce him into involuntary labor, it covertly and indirectly surrounds him by environments and conditions which constitute a cordon of painful and irresistible impressment.

It attempts to maintain its power and prestige through measures whose pernicious results on human society, as contrasted with the results of perpetual conflicts between employer and employee, are replete with disaster and misery to the civilized world; more disastrous than the difficulties to be remedied thereby. Industrial managers recognize the desirability of conducting industrial affairs without solution of their continuity, and warrant themselves in the execution of any measures which will make production continuous.

The measure they find most effective is the promotion of want, poverty or starvation, or the fear of that misery which comes therefrom. Poverty, or fear of poverty and its attendant misery is promoted and enforced by maintaining without sustaining a large margin of unemployed men and women, who, hungry and naked, hanging on the ragged verge of want, are ready, under the force of perpetuated necessities, at a moment's notice, and at any compensation offered, to step forward and perform, as best they may, the labor voluntarily dropped by others; dropped because too meagerly compensated for services to satisfy either their wants or their sense of justice. This unemployed force, including all not actively engaged in production—on one hand the pampered proteges of wealth, on the other, vast masses too poor to employ themselves, dependent on odd jobs of work here and there and then, on charity, public or private, on the commission of crime to secure food and shelter from public funds, on tramping, beggary, theft and robbery, which always bring but the most meager and precarious subsistance—is the efficient and indispensable buttress of private enterprise; a buttress, without which, in its unremitting contest with organized and organizing labor for the lion's share of the results of production, it could maintain its ground of vantage but a few years. It is through the indirect power of this array of unemployed which is maintained with reckless disregard of

the better interests of all communities, that men under private employment through fear of losing their opportunities for existence are driven to a continuity of service often both slavish and degrading; are forced continually to accept such a minimum of wages as the greed and ambition of employers may dictate.

This army of unemployed is the reserved power, which when wielded with persistency and skill by industrial leaders, as emergencies demand, exceeds and overcomes the active forces of combined labor; and it is the quiet, farseeing, settled, unscrupulous and cruel, but indispensible policy of employers, to "keep on hand"—as the wielders of machinery wisely provide extra cogs, nuts, cylinders, wheels, shafts and beams, to take the place of those broken; as those who produce and transport, using beasts of labor and burden, maintain others to take the place of the lame and disabled—a numerous and effective margin of unemployed to be dropped into the places of those driven by injustice to frequent revolt.

To maintain, *without sustaining*, an effective minimum of thoroughly pauperized laborers in America, immigration for a half century or more, has been sedulously and vigorously encouraged and promoted. To get rid of a dangerous maximum of unemployed and impoverished during the same period, has been the policy of European employers. In both cases, in Europe and America, these subtle operations, and the paramount interests of capitalists, have been promoted by leading statesmen of the respective nations concerned. Laws have been passed, and private and public funds used to transport the pauper and dangerous elements of Europe, driven to poverty and desperation, not so fully by oppressive political, as by despoiling industrial influences, to the unappropriated opportunities of the new continent. Private and public influences and forces in America, have been persistently invoked under the guise and name of liberty and humanity, to secure the surplus laborers of Europe in numbers sufficient to hold the demand of native laborers for ample wages in satisfactory check. It has been the policy of American employers—those who determine the industrial policy of government—for more than a generation, to make special arrangements to secure the cheap labor of Europe to advance their own enterprises, and crowd out at the same time, the cheap goods produced by similar cheap labor This has been done with the assistance and connivance of Government, under those refuges of subtle schemers, humanity and patriotism.

Too many unemployed endangers the peace and permanency of organized society. Too few unemployed threatens the security and effectiveness of private enterprise. In other words, to maintain private enterprise in the fullness of its vigor—widespread poverty must be also maintained.

Though the United States government has enforced a tariff which

protected products belonging to domestic employers against the competition of foreign goods—presuming thereby to protect American laborers against foreign laborers—prompted by private influences, until within a few years it has systematically permitted and encouraged the coming of large numbers of foreign laborers under contract; and these foreign laborers encouraged to immigrate under pretense of affording them refuge and freedom from political tyranny, have preserved intact that reserve force of unemployed, which, in the hands of capitalists engaged in conflicts with organizing labor, have enabled them to maintain control of industrial affairs; to become the industrial soverigns of the country, and levy their private taxes without obstruction on all consumers.

Within a few years public sentiment has undergone some change. Discussion of the tariff conducted during political campaigns has exposed the fact, that protection to goods is not practically protection to labor.

In 1884 Congress passed a law in the following language: "That from and after the passage of this act, it shall be unlawful for any person, company, partnership or corporation, in any manner whatsoever, to prepay the transportation, or in any way assist or encourage the importation or imigration of any alien or aliens, or any foreigner or foreigners into the United States, its territories, or the District of Columbia, under contract or agreement, parole or special express or implied, made previous to the importation or immigration of such alien or aliens, foreigner or foreigners, to perform a service of any kind in the United States, its territories or the District of Columbia." The law also provided that for every violation of its provisions, the offender shall be fined $1,000; that suit may be brought for every alien imported under contract, and that the expense of prosecution be defrayed by the United States.

This law is distinct and mandatory as possible, and yet it is openly violated by those, who of all others, claim to be law abiding; violated because it impairs the power of private enterprise and threatens its efficient existence; violated in opposition to the efforts of government officials to render its provisions effective.

Mr. Stephenson, Commissioner of Emigration at New York, asserts that he has made strenuous efforts, all in vain, to induce the federal District Attorney to act upon palpable violations of the law. Said the Commissioner; "There are numberless cases of imported contract labor here at Castle Garden," and went on to give a list of them. "Recently when in Washington in company with Superintendent Jackson, I called on Acting Secretary of the Treasury Fairchild, with relation to the continued violations of this statute. I said, 'Mr. Secretary, the trouble is in the fact, that there is no-

body to enforce the law,' He shook his head and said, 'That is about the size of it.'"

Superintendent Jackson, of the Labor Bureau at Castle Garden, affirms that crowds of contract laborers arrive there whose passage has been paid by the agents of American employers. He says: "I am positive that droves of cheap contract laborers have been brought over here within the past three years by employers who want to prepare for the anticipated labor troubles, growing out of the demand of American workmen for shorter hours of work. I name the case of the Clearfield mining operators, who sent their agents into the middle of Europe, with promises of plenty of work, and by paying the passage of men, sent over a number of Poles and Hungarians. These men with their families, went through the Garden and on to Pennsylvania, where they soon raised a bigger row than the men whose places they took. The U. S. District Attorney has had his attention called to several instances of the violation of this law, but he did not do anything."

The Italian slave markets of New York, are constantly receiving drafts from Europe, and there is no concealment of this traffic, which is enriching, not only the *padrone*, but officials of the Italian government in that city. An Italian Labor Company openly informs contractors, builders, railroad superintendents and engineers, that it is prepared "*to supply laborers in large or small numbers* at figures that will repay inquiry." According to the best estimates the number of immigrants imported in coffle gangs to this country, under contract with corporations, and bound to labor service within the last ten years, has approximated a quarter of a million. They have been scraped up from Italy, Hungary, Poland, Germany and Great Britian, wherever cheap laborers could be induced by the false promises of agents, to bind themselves by contract, under the conditions to which they have been subjected; and have been used to depress wages, take the place of strikers, and by keeping a glut in the labor market, prevent the possibility of strikes."*

That the policy of sustaining private enterprise by keeping at hand a large surplus of labor—a surplus which constitutes the bulk of the impoverished and criminal class, is a profoundly planned, well-settled and active policy is attested by the movements of employers, since what is known as the coal and freight handlers strike, of the present year—1887. Their movements, usually conducted covertly and quietly, are made known through such press items as the following telegram: "New York, March 11.—The Central labor Union are in trouble about the just now rapidly increasing immigration of Italians at Castle Garden. No fewer than 1,100 arrived yesterday. The Knights of Labor claim that many of them are coming here

*New York paper.

under contract, in violation of a federal prohibitory statute; and contracts have been made by some of the trunk railroads for their service. It is reported at the Castle Garden Labor Bureau, that all the French steamers, for six weeks ahead, will be loaded with immigrants of the same class." A more recent telegram also announces the destruction of a European steamer, and describes the sufferings of 800 Italian laborers on board; laborers whose immigration is interdicted by Federal law, the provisions of which are persistently, even openly, violated by the industrial leaders of the country.

And what do American employers or their apologists say in justification of acts notoriously defiant and high-handed?

They say, and with truth, that they cannot maintain the industries of the country on the current principles of private enterprise, without continually drawing from the surplus population of Europe, men and women who will accept without protest, such wages as the employers are able or willing to give. It is not, they will tell you truly, what their better impulses would prompt them to do. To live and succeed in a turbulent sea of competition, each employer must secure consumption of his goods by striving to put them into market either of better quality or at lower price, or more opportune moments than his competitors.

Each employer is compelled to seek for himself, and drive competitive employers to seek for themselves material and labor at all hazards of moral delinquency or legal punishment, at the lowest possible rates; labor also which will not interrupt industrial operations by going on strikes for higher wages. Their undertaking they will tell you, is to supply the wants of the public; and the public inspired by the current spirit of the age, to get as much and as perfect a product as is possible for what is paid, demands cheap goods and continued supply, and the demand must be met; that every employer is pressed to the utmost by all other employers, and to maintain his position is forced to obtain cheap and good material, cheap and effective labor, and to obtain patronage, sell his goods at the lowest possible price. If wages are raised upon him, the margin of profit is likely to be eliminated, and he is in imminent danger of that failure, which will cast him to the bottom of the industrial pyramid to bewail lost opportunities and become an employee of some more powerful or fortunate rival.

Hence employers, pleading the law of necessity, refuse to obey statute laws which threaten to undermine that form of industrial enterprise to which they have been reared, and which alone feeds their industrial hopes and ambitions, and gives them prospects of accumulated wealth. So long as private enterprise, based on individual profit rather than social use, exists and dominates public

opinion and the enactment and administration of law, so long will laws intended to diminish or eliminate poverty be subverted or circumvented.

A strong sentiment is rising in America, on grounds other than those here presented, to prevent immigration, ignorant, vicious and pauperized, from foreign countries. If it assumes the form of federal law, the tendency will be to place the issue between American employers and employees, squarely before the American people for a just settlement. If the law is executed, organized labor will reorganize with better prospects of success; the buttress of private enterprise, with industrial leaders vieing with each other as to which shall accumulate most of that wealth of which they produce but little, will be withdrawn, and co-operative distribution, with more ample purchasing power to manual laborers, will advance rapidly along the chosen lines of industrial evolution.

It appears then—there is no escape from the logic of the deduction—that private enterprise, conducted as it is, to the end of personal profit, by a small proportion and detached sections of the population into whose hands, by priority, heredity and purchase have been accumulated the natural sources of wealth and social appliances of production, lives and fattens upon,and is responsible for the existence and continuance of that widespread and disastrous poverty which overshaows every civilized nation; and that employers, leaders and promoters of industrial enterprise, stimulated by the allurement of individual wealth, are its willing, ardent, active and responsible defendants, advocates and agents.

It furthermore appears qnestionable whether these industrial leaders—capitalists—can subjectively rise high enough above personal interests and enlarge the ends of industrial life to include specifically and directly the wants of every citizen; questionable if the subjective disposition rises to the high tide of general utility, whether industrial operations can, by them, be combined and co-ordinated to that harmony and comprehensive efficiency required to give employment and ample purchasing power with adequate supply to individual and national want; more than questionable, if that ample and intelligent enlargement of the ends of national production herein suggested and prompted, will be given, by industrial leaders, even that full and thoughtful consideration which the topic deserves.

So long have men been incited to action principally by self-consideration, that that regard for the "other" which it was the mission of the Man of Nazareth to impress on developing humanity, has scarcely gained entrance, much less recognition, among the motive forces of the race. It appears, furthermore, that amendments to present industrial conditions and processes must be principally planned and

enforced through organization and action of the excluded, despoiled and interested.

QUASI-PUBLIC ENTERPRISE; OR, PRIVATE ENTERPRISE UNDER PUBLIC CONTROL.

CHAPTER VI, SECTION VIII.

The considerations presented in the preceeding sections will open the minds of thoughtful men to the proposition that some things radically wrong exist in the present status of industrial evolution, which, in the interests of common humanity need radical, if not abruptly operating remedies; in other words that the materials and factors involved with an industrial evolution, need some new and efficient adjustments, and the forces some beneficent and intelligent directions.

In connection with aggressors and aggrieved, the question seriously arises whether private enterprise, conducted with the direct purpose of supplying the wants, satisfying the aspirations and gratifying the ambitions of a few, and promoting the maintenance of a large mass of helpless laborers in dependence and poverty, can be relied upon to achieve that harmonious condition of economic affairs in the social body, which perfect organization presupposes.

That continued dissatisfaction prevails, now here, now there, touching at one time one industry, at another place another; touching the narrow, reckless, irresponsible, often cruel, dishonest and vindictive outcome, is only too manifest. Scarcely a day passes in which some patron of private enterprise does not lift up blind, hopeless and usually helpless prayer to some higher and stronger power for relief from its oppressions and exactions.

The irreverent masses usually look to organized, or organizing society, to government, to statute law for ample relief. The burden of their hopes and prayers often becomes the incentive and stimulus to political movements. It is the manifest function of political organization to respond to such demands. Political parties are saddled with the responsibility of relieving the people—patrons—from the overweening power and relentless exactions of private enterprise, conducted as it is throughout Christendom for private purposes, and not for the general good. Everywhere and unceasingly the cry arises for protection—in city, county, state and nation—from the results of a ceaseless industrial controversy, the elimination of whose customs, maxims and mandates would, however, incite, probably through ignorance of the economic conditions surrounding, loud protests of the impossible. While the successful few—successful principally on

account of privileges, opportunities and advantages secured by priority, heredity or purchase, and not enjoyed by others—are satisfied with current conditions, the bulk of society to secure, not a change of conditions and purposes which might bring permanent relief, but temporary easement from the strain of forces, are continually demanding the interference of society through government with the industrial operations of private individuals and corporations.

The reverent few, for the desired relief from industrial exactions, turn their thoughts toward that invisible Source of power which it is alleged and believed holds the reins of government over all material organizations.

Indeed communities in their one function of patron and consumer, ever and anon bitterly protest against the cruel oppressions of private enterprise; protest to organized society on one hand and Creative and Provident forces on the other.

Industrial oppression, within a few years has increased and intensified to that extent, that government, in all its phases of operation, has been called upon to check the plundering of industrial leaders; indeed, public sentiment is rapidly crystalizing, has markedly crystalized into the belief and demand that enterprise must be placed under the strong and repressing arm of government surveillance and restraint; and not a few are of the belief that the reckless disregard of the public good by private enterprise, will ultimately force the public into ownership and control of those industries through which the wants of the nation are supplied.

Already, scarcely an industry, in whose results the public is interested—and as patron, in what is it not—but has so frequently and oppressively transgressed upon the maxims and laws of justice, and the intuitions of inter-individual good-will, that government, in defense of public interests has interfered with its operations, through means of surveillance and limitation.

Government inspection of the operations of private enterprise is common everywhere, and so unscrupulous and seductive are the means used by industrial leaders—capitalists—to avert the benificent results of inspection to the public, that *special inspectors* are often appointed to watch and report upon the action of regular inspectors.

Inspection is, usually premonitory of, and preparatory to more decisive action on the part of society; viz,, direction, limitation and control. To that extent has private enterprise, in its greed of gain, imposed on helpless communities, that government, local and national, in defense of the public good, has placed under strict surveillance, among phases of business too numerous to mention, banking houses, insurance companies, water, gas and electric light companies. It has turned the light of public intelligence on private

operations in oleomargerine; in whisky distilling; in tobacco culture and manufacture; in beer brewing and wine making; in the preparation and sale of meats, and in telegraph, express and railway industries.

The more closely one observes the accepted and established relations between industry and government, the function of the latter seems to be that of a parental umpire to a lot of reckless, ruthless, quarreling progeny. The continued tendency of the latter has been to infringe on the industrial rights and compensations of other industries, or other individuals and corporations engaged in the same industry, and governmental function and power is taxed to the extreme, to maintain the rights and privileges of the weaker and more helpless, against the strong and unscrupulous. Those who protest strongly against the parental element of government, will do well to ask and determine for themselves, whether what we now have, is other than a parental organization whose time and power is mostly expended, not in undertaking and promoting, but in watching, directing and regulating the industrial operations of the numerous factors—individual and corporate—which have grown up under its fostering care; an organized social parent, engaged in watching, scolding, whiping and punishing its erratic and recalcitrant progeny. They might also inquire and determine if society, through government, would not accomplish more for its component individuals in every way, by assuming directly and absolutely, the functions of production and distribution, rather than by placing certain individuals in positions of industrial power, and standing guard over their licensed operations.

It must be admitted that much of what society stands guard over and limits through law, is the result of its own primitive, inconsiderate disreregard for the fundamental principles of equity; disregard in that it has assigned and confirmed to a few of its earliest born and earliest developed individuals, a major portion of the sources of wealth and appliances of production. It is the struggle for the results of production which incites fraud, over-reaching and exclusion, against the injustice of which, organized society, through law, is ever contending.

It seems almost impossible, that those who inaugurate and promote private enterprise influenced by the fierce conflicts of competitive distribution, should successfully conduct their affairs along, or close to the lines of strict honesty. It is war; war for bread, clothes and roofs; and who ever knew of war being conducted except through the instrumentality of violence or strategy? Violence being interdicted by all the power of organizing society, what remains as a means of warfare but strategy—but the secretive element of attack and self defense?

Under influence of this element of human nature, it is self-praise, imposture, evasive and delusive promises with professional men; it is shirking, direct deceit and pretense with those engaged in personal service; it is short measure, light weight, misrepresented quality and false statements regarding cost, loss and profit with trade and transportation; it is counterfeiting and adulteration with manufacturers and the petty forms of deceit regarding quality and quantity, which mark the transactions of agriculture.

Pure exchange wherein value moves from person to person with exact equation is rarely thought of; advantage—somewhat more to be got than given—is the present inciting motive of commerce, as well as of the other phases of industrial life. A line of falsification in some of its more or less delicate manifestations, by common consent, marks most acts of exchange and is recognized and admitted by the parties thereto. Every one is on the lookout lest he is the sufferer through the operation of deception and fraud.*

But organized society, as to its interference with the despoiling operations of private enterprise, goes, in defense of the interests of the people, much farther than mere inspection and surveillance. It is against vast and aggressive influences and their outward, combined and overpowering expression in current incidents of business, that government enters the arena of limitation and control.

Intuitively, under unendurable or unjustifiable exaction, the public appeals to government, as the best exponent and executioner of that justice which should underlie all law, for effective relief; and under the plastic touch of public opinion these appeals have met a willing, but, too often, a tardy response.

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*In the operation of this fearful truth and the more fearful phases of competition lies the argument for and defense of free trade on one hand and protective tariff on the other. Both parties affect to believe in the essential equity of manufacture and commerce—in the intent of all parties to industrial life, to observe a true equation of exchange. Each party ignores the existence of industrial combinations, which, following the plundering instincts of private enterprise renders the beneficent theories of both inoperative and abortive; the advocate of free trade ignores the possible, yes, probable operations of industrial combinations, in breaking down the industries of one country, where industry is but partly organized, diminishing employment and destroying purchasing power. Its entire purpose is the reduction of prices to consumers. It takes but a one-sided view of the whole field. The advocate of a protective tariff notes these objections to free trade; but in the competitive struggle at home for the results of production—between employees and employer, between employee and employee, between producers and consumers—does not see that his protection really protects only a combination of employers; that the high rate of prices he is enabled to maintain by protection is drawn from the pockets of consumers not to increase the purchasing power of employees, but to make a few millionaires. Both forget that private enterprise must of necessity involve a competitive struggle for the results of production; that competition combines to compete and in these Titanic contests the expected beneficent results of grand measures like protection on one hand and free trade on the other, are limited or overthrown; that these consequences must follow, whether private enterprise is conducted on an international scale with free trade or a national scale with protection. The tariff protects the nation as *producers*, and free trade cares for it as *consumers*. There is an individualism in private enterprise which has defeated and will continue to defeat the beneficent prognostications of the adherents of free trade and protection alike. It is the ingrained inequity of commerce itself, whether it be foreign or domestic commerce which is responsible for the pernicious results of free trade on one hand and protection on the other.

Legislation has become burdened by laws of limitation and control, and the dockets of the courts are loaded with the evidences of litigious discontent. Limitation and control, as a rule, is placed on those individuals, corporations and combinations, the character and extent of whose operations most acutely affect the supply of imperative want; and those which, having beaten down all competition, have arrived at or near the status of monopoly.

For these private enterprises, definite lines of procedure have been marked out beyond which it is unlawful to go. Each employer is constrained to limit his industrial liberty within fixed bounds--bounds which give also liberty to his peers. This restraint is often regarded as an interference with their industrial rights by those who are ready and anxious to over-ride the equal rights of others to the means of life and success. But where *all* do not have liberty none have it; it is license on the one part and oppression and servitude on the other. If I trespass on the industrial rights of my neighbor, I have opened the way to further trespass, which may be extended to the entire community; and government is performing a necessary function if it limits me and gives others also their equal right. Limitation and control by government tends to the development of limited, and therefore truer industrial liberty.

Government in protection of the public from private enterprise, has undertaken to *reduce the prices* of commodity and service. Principally, since the growth of corporations, the organization of combinations and the development of machinery, has competition through overthrow of the weaker factors and combination of the strongest, developed the industrial detachments to the monopolistic status; a status which results in no good to *consumers*. Against the exactions of these organized monopolies has government been appealed to with loud complaint, and it has responded by passing laws to limit prices of commodities and services. It has cut the rates of gas and water and transportation companies, and its course of inspection limitation and control has been sustained by courts of last appeal.

The principle that society, acting as a totality, is bound by the highest sanctions of duty to protect its component individuals and detachments from the bandit instincts of other individuals and detachments, has crystalized into a national policy--a policy which is sustained by the wisest and loftiest authority and stimulates the public hope that in due course of events a true industrial freedom may be evolved.

But another and equally important phase of the relations of government to private enterprise presents. The public, in its economic life as consumers, have appealed to government for protection and government has wisely responded by inspection, limitation and control. But the public as *producers*, have not forgotten that a parental

power—or somewhat analogous—stands behind them and have appealed to that power for assistance. Whether wisely or not, a function of government has been evolved which consists in assisting and promoting private enterprise by subsidy of special privileges, franchises, lands and money. It has been done on the presumption that no private enterprise can be carried forward in which the people as a whole are not, or may not be interested as consumers or patrons. To say nothing of patents of land, which from the first to last, on large or small scale, are little else than special subsidies to special individuals, to the absolute exclusion of others, English and American history is replete with instances wherein private enterprise has been encouraged and sustained by the goods and money of the public. Such subsidial assistance has oftenest been conferred on private enterprise engaged in trade and transportation and the communication of intelligence. In the domain of mechanics and manufacture, government has granted special privileges to those who have made new discoveries in nature or compassed new inventions in art or mechanical manipulation. It has granted a monopoly to the inventor or his assignees for a definite and ample term of years. In agriculture it has offered and paid premiums to promote the various forms and phases of animal and vegetable growth. The agricultural bureau is in continual correspondence with different portions of the country conveying gratis to planters large varieties of seed. The culture of fish is almost exclnsively in the hands and under the control of government. Game laws everywhere exist to protect the interests of consumers. The tariff has been sustained, principally, to protect private enterprise in its productive department against low prices of material, labor and goods from foreign countries; protection which really constitutes a subsidy taken indirectly from consumers and transferred to the exchanges of producers. Through this indirect taxation, a vast majority of the productive movements of private enterprise are especially promoted and financially sustained through the efficient instrumentality and aid of government.

Most of whatever is now urged by public men—who too often give but little thought to public affairs—against the interference of government with industrial affairs as promoted and managed by private enterprise, is tardy and inopportune. The fact already obtains that government, in all forms and phases of its operation and instrumentality, is inextricably intertwined with industrial affairs; that it has already assumed and exercised responsibilities pertaining thereto, which by intelligent men cannot be ignored or set aside. Government at all times and in every civilized nation is held by the people in their function as consumers or producers, responsible for the satisfactory ongoing of industrial affairs. If the producer is short of funds to manage enterprises of "pith and moment," he goes

to government with his plea for assistance. He urges, of course, not his own interests, but the interests of the people as consumers of his services or commodities. In this plea, which is both true and false, he has been sustained by a consenting public sentiment which admits the principle that government may and should assist and sustain the productive enterprises of the nation. If the consumer is oppressed by the exaction of producers, he knows no higher or more appropriate source of appeal than through the government to organized society.

With an inconsistency however, which might seem strange, did not private enterprise develop and stimulate individual interests, appeal is usually met by protest. When the producer calls on government for assistance, consumers protest that the function of government is not to promote or sustain private industrial enterprise. When the consumer appeals for protection from the producer, the latter enters protest in like manner and on similar grounds. Each prompted by the greedy spirit of private enterprise, assumes that the function of government is to assist himself but not the other man.

And government, in the enactment and execution of laws cuts a sorry, and often absurd figure. Why? Simply because that which it undertakes to inspect, control and govern, viz., private enterprise, co-operatimg everywhere to produce, and competing everywhere to distribute and consume, has reached that necessary point of its evolution where inconsistencies and absurdities are the rule rather than the exception.

Thus, every citizen embodies in his every-day life elements which should not be, but which are made antagonistic to every other citizen through the competitive struggle for the results of production. Advancement of the interest of one capitalist draws from the prosperity of another. The interests of capitalists, as a class, are antagonistic to those of laborers. In the present status, the interests of laborers are antagonistic to those of capitalists; the interests of boht antagonize those of consumers, and the interests of consumers are best subserved by drawing from the purchasing power of the capitalist desiring large profits, and the laborer high wages. If government by law subsidizes one capitalist and fails to assist another, the interests of the latter are impaired in degree corresponding to the advanced interests of the former. If legislation is enacted which gives large profits to the capitalist, it reduces the wages of the laborer and increases the cost to consumers. If laws are enacted which diminish the prices of commodities to consumers, then the profits of capitalists are diminished, and wages of the laborer decline. If laws are executed which advance the rate of wages, then capitalists and consumers suffer; the former, by decline of profits, the latter by advance of prices.

From this jumble of antagonistic interests, is it wonderful that all laws bearing upon industrial life are but a mass of compromises with sectional interests—a mass of comparative inconsistencies? Nevertheless, commnuity would embody an industrial pandemonium were not the conflicting industrial forces kept under surveillance and held in check by legislation.

When industrial life becomes consistent, when the interests of one are the concern of all and the interests of all the concern of one, when unity of end—general utility instead of individual profit and personal greed—animates the industrial life of the nation, then can legislation thereon become simple and consistent; then may law cease to be a tissue of incongruous compromises; then may legislation and litigation, necessity therefor having been dismissed, be reduced to a minimum. Simple regulation and superintendence will then accomplish more for the well-being of all, than laws piled volume on volume and adjudicated and executed by the most expensive systems of courts and executive appliances. Antagonized by a systematic industrial warfare, itself inspired by personal greed, the world's cruelest war time is not yet passed. Meantime in the modes and under conditions before referred to, the province of government will be to inspect, regulate, control and limit the conflicting interests of private enterprise and hold it firmly and steadily to that ultimate outcome of development which the intelligent beneficent forces are slowly and wisely evolving.

PUBLIC ENTERPRISE.

CHAPTER VI., SECTION IX.

Amid all this conflict, with much friction, much poverty and misery, but with silver streaks of prospect breaking through the cloud and gloom, industrial evolution is advancing with hopeful and vigorous strides.

To suppose that industrial forces will come to a status in present conditions would be equivalent to supposing that the planetary system will cease to circle through space. To suppose that the full capacity of production has been reached and that distribution has come squarely under the law of equity, is to assume that the large mass of men are predestined and perpetually doomed to suffer and labor, that a small minority may consume and enjoy; is to assume that a good and wise Creator had foreordained "from the foundation of the world" organized poverty, misery and distress and planted it on the earth for his glory and satisfaction. A wise, kindly and benificent man will bring into being only what, in its operation and manifestation corresponds to the wisdom, kindness and benificence of his own nature. If he builds a machine, constructs a steamship or paints a landscape, it will accord, as to its forms, uses and satisfactions to the stronger and better elements of his own nature; it will be something upon which he can look without pity or pain. To suppose the Creative Force, evidently intelligent and beneficent as to its character, will act less intelligently or beneficent than man, is an absurdity. Hence, the human individual has not arrived to that finish and perfection which is his destiny, nor has society achieved the fullness and harmony of its possibilities.

Men will tell you that industrial matters have always been as they are, that the many have labored and the few consumed and enjoyed. What has been will be, and *always will be.*

You admit the proximate truth of the statement but deny the conclusions; for you see evidences of a general law of progress and evolution and know, through your rationality, that betterments are sure to come to all departments of life, as they have already come to some. It is probable the average individual has kept pace with the social development of each successive civilization; but it is a matter of history that the organization of every civilization has aborted at some promising point of its development. Egypt was swept away under the oppressions of the Ptolemies. Greece fell under the fierce onslaughts of surrounding nations. Rome succumbed to the inroads of the Goths and Vandals and the Christian civilization which is con-

fined to no single nation, continent or clime, is now arriving at the point of the greatest strain.

But none of those civilizations which have gone into the catalogue of the by-gone, yielded to outside influences until they were mellow and rotten within—until the constituted leaders had lost their virility by indulgence in luxuries which were supplied, not by their own labor, but by exactions, enforced through violence or law, upon the productions of the toilers. It was concentrated wealth, used first for the comfort and luxury and subsequently for the debauchment of the few, that caused the poverty of all preceding civilizations and which has cast its cloud over those modern nations which have risen to power under the civilization of the Man of Nazareth. In the hot and plethoric brain the chilled and anæmic extremities of modern nations—the few rich and the many poor—lies the danger which may yet cause the present civilization, with its masterly activities and its redundant exuberance of production, to lapse into some new aspect of barbaric chaos.

It is not for us to say that with all past civilizations the masses have been poor and the few rich and comfortable and that what has been, must be; but it is for us to recognize in the growing irregularities of physical life, symptoms of that decadence, which, originating in the corrupt morals and emasculated intellects of the leading and determining class, if not arrested by wise and heroic action, is bound sooner or later, to result disastrously.

It is not alone that the poor are poor and miserable and incessantly suffer the tortures of hunger and cold, and the prostitution of body, and degradation of soul which poverty induces, but it is that society, having passed through centuries of reformation and reorganization, and having arrived at an epoch full of hope and prophecy, may, by disregarding the causes of decadence which brought the civilizations of Egypt, Phœnicia, Greece and Rome to an inglorious end, again abort that perfect evolution which is its ultimate destiny.

That men must come up from the depths by effort through suffering as they have gone down to the depths by slothfulness through sensual gratification, is probable. The history of human growth, individual and social, attest this truth. But the evolutionary forces, interior and exterior, will surely and rapidly carry the masses upward from the miserable and squalid life which has marked their existence for ages. It is not true that what has been will always be.

It has been shown that concentrated wealth is the result of industrial processes developed and conducted by private enterprise for the good of the individual; that the strong and prior as to birth, advent or development, through its customs and laws, through its narrow processes and principles, secure natural and developed advantages

which enable them to concentrate the world's wealth to their possession and control.

It has been pointed out to what extent private enterprise, in defense of the public welfare, has been placed under the determinations of society through government inspection, limitation and control; that the powerful arm of the law and complex factors of government are engaged at vast expenditure of intelligence, power and money, in holding the irrepressible forces of private enterprise, stimulated by individual greed, within such limits that endurable individual and social existence is possible; that in defiance of legislative tetherings and irrespective of the crying wants of the masses, its exactions on consumers and the failure to transmit through wages, fee and salary an adequate purchasing power to the laboring population, has conduced and yet conduces to produce those extremes of physical condition that stimulate widespread dissatisfaction, incite bitter discontent and promote intense and devastating industrial warfare among the economic factors.

The complex question which now presses for solution is, can the industrial forces be more successfully managed? managed to result in a better distribution of the present results of production? managed to increase the sum total of national wealth, and through increase of wealth bring comfort, even luxury, to every intelligent and industrious home within the national domain? managed to develop and augment the individuality of all individuals, while it concentrates and establishes the national power and the perfect social organism?

To negative this question is to deny the capacity of man and the power of God. With a low and narrow purpose, a low and narrow result must be expected. The end of all enterprise actively engaging the productive forces of every civilized nation, is the individual welfare of those who incite, promote and lead industry. It is a narrow end, and narrow results must be expected. No one will question the assertion that they are realized.

While it cannot be doubted that private enterprise has been and is an indispensable phase of industrial evolution, it is not clear that it has done the best, if all it can do, towards the desired result; viz., a perfected industrial system.

It has been shown that private enterprise, though it inaugurates and promotes industrial activity, when its purpose, is achieved—supply to the wants of industrial leaders—stands in the way of farther production required by the unsupplied wants of the laboring rank and file. Resting on the process of purchase and sale for exchange, bent on the gathering of profit, refusing to transfer ample purchasing power to needy consumers that the latter may purchase all commodities produced up to their consuming power, it arrests production in the face of a hungry and naked people. The plow and

reaper are housed, fires put out and factories closed and materials and implements of building relegated to comparative disuse. Charity, public and private, bridges over a long suspension of activities by niggardly feeding and clothing of starving and freezing, while the desperate find shelter in jail, prison or insane asylum.

It has been pointed out that private enterprise is not likely, for various reasons, to conduct industrial affairs to a wider scope or better end through its own narrow interests. Hence, the end of industry must be changed from the individual to the public welfare; and it becomes imperative, furthermore, to look to another instrumentality for industrial management, to supplement, if it does not displace, the leadership of private enterprise; some being, already existing, or to be brought into existence, which has for the end of its existence and operation, the public good.

Government established according to the best theory, "by the people and for the people," acting as the instrument of organized or organizing society, most nearly approximates the ideal being demanded by the exigencies of the present industrial condition.

The end of governmental existence in the protection of life and property and other less pronounced purposes, is the good of every citizen, in the line and plane on which it operates. It is the theory and the practice of good government that every citizen shall share equally in the beneficent results of its intelligence, care, power and protection. Whatever it undertakes it undertakes for all on similar and equal conditions. It endeavors to express the will of the entire people and in so doing, subserves the interests of the entire people.

No other organized being visibly exists, the end of whose existence and operation so fully compasses the welfare of the entire population; and it is doubtful if such a being in any form or phase, could be created by society, to execute the trusts imposed on the latter by the invisible Forces. To organized government then, we are more likely to look with success for the inauguration of that public enterprise which, unlike private enterprise, subserves and promotes in all its operations, the general welfare; the public good.

But we are told that the purpose of government is but to protect life and property. To which assertion the reply is offered, that it is the function of government to perform, in the public interest any function whatever that organized society, through the expressed will of the people, may impose upon it. Government is a servant and trustee of Society as society is the trustee and servant of an intelligent, beneficent Creator. The functions of government are the subject of continued change and addition. What was not recognized as the function of government centuries since is now considered as of indispensable importance. Addition to and subtraction from the functions of government will probably keep pace with industrial and social develop-

ment. Objectors to government management of industrial affairs, have always come, will always come from that minority of the population, whose selfish and ambitious interests and whose correspondent encroachment on the natural and private rights of their fellows, would be endangered and limited by governmental operations.

Reasons advanced by this class are manifold, but they cluster around two principal thoughts, viz.: The rights of the individual and the development of individual character, and the dangers of political influence and public corruption. They do not mention, however, in their learned discussions on the benefit of individualism, that the particular class of individuals to which they refer is the privileged class to which they themselves belong. They ignore the fact that an immense class from whom natural opportunities and good advantages are cut off, could the more fully develop individuality of character, and attain individual rights, were government to take charge of those industries—conducting them without profit, rent or interest—which, returning immense revenues to private managers, deprive, through that very revenue, the laboring and consuming masses of the opportunities of individual culture and the enjoyment of individual rights. It is their own individualism and not that of their fellows about which they are intensely concerned.

A rank individualism connected with the development of a few which must rise and flourish on the impaired or suppressed individualism of a large population is not to be conserved; though for temporary purposes of social development, it may have been tolerated. Individualism of so partial and limited operation can be only the stepping-stone to that more universal individualism, which is also compatible and consonant with the most complete social organization.

When it comes to pass that a person may reach his fullest development by cultivation of his individual nature alone, then it may happen that a nation may come to its perfected status through culture alone of the individual characteristics of its personnel. Culture of individual characteristics is best performed in the midst of the highest social development; culture of social characteristics are achieved where individuality is matured. What is true as to the development of a person, s correspondingly true as regards a nation.

Another large class argue against public enterprise from the mistaken belief that individual effort and single handed production have characterized and yet characterize industrial operations; that individualism in production is not only possible but is fully established. It has already been pointed out* that production, at the present moment, is completely social or co-operative and that individual life on the industrial plane is but the initiatory and transitory phase of industrial evolution. To return to pure individualism in industrial

*Chapter VI. Section I.

affairs, would be to return to the most primitive and simplest forms of human life. The proposition is scarcely to be considered.

The other thought which the opponents of public enterprise utter and reiterate, is that the undertaking of industrial enterprise by government would result in pernicious political influence and public corruption. They do not seem to recognize the fact that by these statements they leave their flanks fully exposed. Such a charge is an admission of the counter charge that political, civil and industrial corruption have their origin in private enterprise. Whether admitted or not, it is true; true from and through cause to effect. The end of private enterprise promoted by individuals is profit; the acquirement of much for little, the accumulation of wealth whether produced by others—through business processes peculiarly obnoxious to a high sense of humanity—or produced by accumulators. The end of public enterprise is the public welfare; the protection of life and property; the suppression of crime; the promotion of tranquility and the establishment of justice. From which of these two ends or purposes would one expect corruption to flow?

The facts show clearly that corruption in political and civil life, as with industrial life, flows from the greed—love of money—of private enterprise. The judicial and executive departments of government are rarely tainted by corrupting influences. The records of the United States Treasury show that less percentages of loss occur in the financial operations of government, than with the doings of private enterprise. During the presidency of Martin Van Buren, the losses through peculation, by those handling immense sums of money for the nation, were $11.71 on $1,000; James Buchanan, $3.81; Abraham Lincoln, 76 cents; U. S. Grant, 24 cents; R. B. Hayes, 3 mills, and C. A. Arthur, 1 cent and 3 mills.

Government management of enterprise in any of its extensive departments—Treasury, Post-Office, War, Interior—except where it comes in contact with the contaminating influences of private enterprise, is comparatively honest and pure. Its management of the three phases of post-office work—transmission of letters, of exchange, of goods in small parcels—is a marvel of efficiency and honesty. Nevertheless, from the first successful struggle, made by Benjamin Franklin, to wrest this enterprise from the express companies and place it in the hands of government, until the recent attempts made by New York news companies to displace the government in that city, the pretexts of inefficiency and corruption have been advanced by those desiring to reduce the service to the exacting despoilments of private enterprise.

The corrupting influence of private enterprise—the greed of gain, the love of money—finds the most accessible point of inroad upon the honorable purposes of government in the arena of legislation—

through the inflnences of t'ıe lobby—and in those executive depart - ments whose functions are prosecuted through contract with private enterprise. Legislators are especially assailable from the fact tha t their action is not clearly outlined by law; that their public work is performed for the people through the exercise of private judgment or in consonance with loosely drawn political platforms which admit of varied construction and easy virtue. Upon these tenuous and vul nerable points by bribery in varied form, and threats which through an artful lobby, touch hope and ambition, the insidious attacks of private enterprise are made and prosecuted.

Private enterprise, with the greed of wealth, is perpetually surging against tne ramparts which sep rate and defend the lofty purposes ot government from private contamination. A public avenue for the entrance of corruption lies in the contract system, and it is through this avenue that the public work of executive departments are assailed. It is rare that peculation affects the public service when and where the public is served by its own elected or appointed officials; but the atmosphere is rife with suspicion, and ever and anon the proof is open and abundant that government officials, legally prosecuting their work through private contract, have connived with or yielded to the coercing influences of enterprising contractors, buying or buccaneering their way into the public treasury. The Army, Navy and Indian departments have been frequently vampired by private enterprise, and the Post-Office department has suffered at least one impeachment of its usually virtuous career.

The attempt of those objecting to the substitution of public enterprise for private enterprise, on ground that public affairs are likely to become corrupted thereby, is an unconscious and involuntary admission that private enterprise breeds defilement; and further, that its promotors and apologists desire that industrial affairs shall remain in the must and ruck of corruption that they themselves may grow rich through its polluting customs, maxims and processes. The elevation of industrial affairs to the plane of public enterprise would lift them out of that contaminating pool of secret, strategical, gormandizing industrial putrescence, engendered and stimulated by an exaggerated love of gain, and place them in the sunlight of public observation and criticism and in an atmosphere where they would draw character, life and vigor from that elevated end of industrial effort—the public welfare. It is not too much to charge that the mass of opponents to increased assumption, by government, of industrial ownership and control, are those alone, who have private axes of ambition and greed to grind; axes which are more effectively ground where the corruptive elements of private enterprise hold the strongest sway.

Another objection raised by the opponents of private enterprise

under charge of public officials, is that private enterprise assures greater efficiency of management — a greater executive ability and more prompt service or more perfect commodity. To which objection the first reply is that citizens of every nation conduct the productive enterprises which result in natural wealth; that all citizens are at the service of the government and may become public officials, and usually at compensation below that exceptionally secured from private sources. Everywhere the disposition prevails on the part of men of talent and ability, not only to accept, but to seek public employment and to be satisfied with the compensation.

The second reply is a test of the results of public enterpri e. Whether in peace or war, the work of government sustained by the power and wealth of the nation, compares favorably with the similar work of private individuals or corporations; and there is no ground for questioning, if public enterprise should enter new fields and government undertake new duties, that the same economy, promptitude and efficiency would mark the administration of the new as of the old.

Having considered objections to the extension of public enterprise and pointed out their interested source and their selfish sophistry, some considerations in favor of the proposition are in order.

The foremost consideration which should lead to extension of governmental action with reference to industrial affairs, beyond the inspection, limitation, regulation and control of private enterprise, is that the end of public enterprise is the public good—good which includes supply to the diversified wants of every citizen.

The purposes of good government and public enterprise are harmonious. In a broad sense, public service of the is the purpose of government. The government which undertakes to define and suppress crime, is engaged in public enterprise undertaken for the public good. It is the need of every citizen to receive at the hand of government, protection from the wiles and violence of the outlaw and criminal, and over the head of every citizen the power behind the law is extended, through public enterprise.

Public enterprise has been invoked and it has become an undisputed function of government to protect every citizen in the possession and enjoyment of his property. Governmental enterprise or undertaking is theoretically, and practically to the extent that theory becomes practicalized, public enterprise; and the forms of governmental undertaking have advanced from the simple to the complex, as civilization has moved forward from primitive conditions to the colossal and complicated interactions of the present. Public enterprise originated with the origin of government. Its purpose, at initiatory stages, embodied the selfishness of the despot; but gradually the end of government, through the limitation of individual power and the establishment of constitutional forms and activities, has risen from in-

dividual selfishness and ambition, through untraceable advances, to the highest possible aim—the public good. Under the impetus of progressive forces, the public enterprise of government has rapidly expanded beyond the narrow purposes of former times. The fields of charity, benevolence and support have been brought to realize the activities of public enterprise. Hospitals have been established for the sick and lame, asylums for the blind, deaf, dumb and insane, and alms-houses for the poor and aged, through public institutions directed by public enterprise. Schools of all grades, from the primary to the university are the result of public enterprise, undertaken, promoted and supported by public funds under the management of public officials. In all these instances and to the extent that their operations reach the public and affect the individual, the paramount motive is the public welfare. While it is to be admitted that public enterprise, in many instances, falls short of compassing the ideal which is the end of its activities, it is certain that much better results are achieved than could be under a lower and more limited purpose. If one aims at the sun he is sure to reach higher altitudes than if he aims at the horizon; and it cannot be successfully controverted that any enterprise conducted by public authorities, will accomplish more general good to each and every citizen than if conducted by private enterprise to the end of private ambition and gain. Private enterprise may conduct industrial enterprises with skill, and prosecute them, for private ends, with great activity; but sooner or later—and the more active the operations, the sooner—the consuming masses must chew the cud of bitter discontent incident to a rapidly exhausted purchasing power.

Another consideration in favor of an extension of public enterprise is connected with the authority which stands behind it and the power which may be called to its support. The suggestion of authority as connected with industrial matters savors of severity and tyranny. It is unpalatable to the tastes of men who have been licensed to act concerning industrial affairs according to their own sweet will and to the extent of their industrial power. Concerning authority in the arena of industrial life, public thought has but lightly touched.

License prevails to an extent and with disastrous results hardly credible; license resulting in industrial over-reaching and violence, and the impairment of industrial liberty. The world has resounded with the clash of arms wielded in favor of religious, political and civil freedom, the freedom of personal thought and action on these highest planes of action; but what arm, what concentrated power has yet flung the banner of industrial freedom to the breeze and sworn to conquer or die in its behalf? And yet, owing to fundamental errors connected with the establishment of all civilized governments, regarding the legal disposition of the sources

of wealrh, a large portion of the population are the industrial dependents or slaves of the privileged class; privileged in that to them have been given exclusive control of the natural sources of wealth and the consequent means of securing exclusive use of the socially created appliances of production.

Licensed to exclusive ownership and control of these privileges, by authority of goverement—privileges which have been used to oppress and enslave their fellow men—it is necessary that governmental authority should step forward to *amend the errors* of its primitive dispositions; to equalize, by that authority which, in other matters, is recognized as paramount and universal, either the holding of the means of production or the enjoyment of resultant wealth. Hence, legal authority, embodied in more just laws inspired not only by that high motive "the greatest good to the greatest number," but by that higher end the *greatest good to all*, is likely to be, as it should be, welcomed to the industrial arena as it has been to the religious, political and civil; is likely to be forced by the will of the people to rectify or eliminate the industrial wrongs, for whose presence and power it is greatly responsible.

To hold industrial evolution to its most beneficient courses, to give it that wide and profound scope of action inspired by the broad impulses of human wants, authority, governmental authority, requires a new and effective extension into and through the industrial arena.

Thousands of men, under varying conditions, prompted by their priva e interests stand ready, at all times, to obstruct movements whose end is the public good. For the public welfare these obstructionists must be overcome or removed, and the power to do so exists alone in that instrumentality of the public—government.

Government organized and sustained in the general interest, alone can effect directly the wants of every citizen; and through its authority, the industrial effort of every citizen can be brought to bear not only on his own particular but the general good.

Co-ordinate with authority goes responsibility. As regards important phases of industrial life, responsibility, like authority, knows but a partial operation. Power has increasingly asserted itself over the action of individuals, and, in the civil arena, responsibility has maintained a corresponding movement; but responsibility for the industrial conditions of a nation have affected the public conscience and sense of honor too little.

It has been tacitly assumed that as regards provision of food, clothing and shelter, every citizen, no matter what the conditions which have marked the opening of his industrial career, is competent to secure ample provision for his physical wants; and society, in its, as yet, but partially organized condition, has left each person to work out success not only alone and unaided, but handicapped by unequal

conditions. Unequal results that have followed, the public have wantonly left without ample and thorough consideration. It has striven for no knowledge of the outfit which awaits the advent of each individual to his struggle for subsistence, and assumed no responsibility.

That society, according to the extent and perfection of its organization is responsible for the condition of the individual no room is left for reasonable doubt. Down to the line of industrial action it has assumed and maintained responsibility. It has exercised restraining power below that line, but its assumption of responsibility to sustain has been fragmentary and transitory. And on this failure to aid, sustain and regulate a proper division of the common heritage, securing to each person an equitable use of the sources of subsistence and the implements for their transformation into commodity, depends largely the existence of that "empire of misery that lies at the bottom of our boasted civilization." Individual intelligence and effort are indispensable; but it is false to assert that, exclusive of conditions, individuals can achieve a competent subsistence by intelligence and effort. Some *must* come, as up to this period many have come to hunger, nakedness and distress and be sustained by charity. For the prevalent conditions of miserable millions, society is responsible; responsible for the want of requisite education and art; responsible for the application of intelligence in effective effort and absolutely responsible for the unequal distribution of opportunities. The distribution of opportunities is the work of society alone; and without opportunity no man can labor, and without equal opportunities and facilities one must be surpassed and beaten back by those who possess them.

Every government maintains its own scheme of distribution of land, raw material and the quota of provisions which nature supplies; its own system of industrial appliances and the measures whereby they may be acquired, and its methods and means of exchange; and everywhere these indispensable means of self-employment and independent subsistence have been parceled out to favorites or to those who have come or been born or arrived at maturity first, leaving all subsequent distribution to follow certain fortuitous lines of heredity—lines which naturally lead to further concentration rather than to an equitable distribution. Society violates the law of an ample equity in that it leaves the distribution of the sources of wealth and means of employment to variable and fortuitous circumstances; and is fully responsible to all sufferers through its failure to maintain an adjustable system of distribution either of the sources of wealth and appliance of production, or of the results of their conjoint use.

When society fully recognizes the false position it occupies with relation to the trust imposed upon it by the intelligent beneficent Force and the responsibility devolved upon it to assure the well-being

of every person within the limits of its sway, then it will either go back to first principles, place all individuals on an equal footing as to sources of wealth, or go forward by way of public enterprise and insure an equitable distribution of commodity to all consumers. It will, it *must* go forward; the days of isolated, independent industrial individualism are passed.

In that it stimulates the recognition of social responsibility, the gradual introduction of public enterprise will involve an economic advance, carrying forward a host of equities and increasing the physical well-being of all citizens. On the other hand, responsibility once recognized will insure the rapid promotion of public enterprise. Public enterprise will lead to that desirable result, a more equitable distribution of wealth. Government does not subsist for the gathering of wealth which it cannot use; it exists that it may at once impart all it gathers for the immediate benefit of all citizens; and whatever measures, antagonistic to this idea, may be adopted by those in power, to that extent do they subvert the better ends of government. On the contrary, it is the specific end of private enterprise to pile up commodities without limit and in the accumulation, it comes about that an equitable distribution of wealth is rendered impossible.

It has been shown that all pernicious accumulations, those which determine the relative conditions of wealth and poverty are effected by processes which draw the results of other men's labors to the garners of the accumulators. No man secures large wealth by his own labor. The landlord secures large wealth by excluding other men from the use of land on their own account and compelling them to turn over to him in the form of rent, a portion of the results of their labor.

The industrial leader, the promotor of active enterprise, secures large accumulations by excluding, through certain complex measures —involving the ownership of land, raw material, machinery, provisions and money—other men from the means of successful self-employment and forces them to a private contract for their services, which leaves in his hands the results of their labor, minus subsistence.

The industrial leader who has made large accumulations by absorbing the profit of other men's labor, and desire to secure further accumulation not only from the manual labor but from the risks and management of others, exchanges his goods for money and puts the money at interest.

Borrowed money furnishes a precarious opportunity to the borrower to reach the natural and social means of self-advancement. A large portion of the result of his labor—in some instances all, in others losses of values secured by previous labor—goes, through interest, into the hands of the capitalistic money-lender.

All accumulations secured without labor through rent, profit and interest, are pernicious accumulations. It must be admitted that these industrial elements have become so intimately associated with labor, that close analysis and clear conception alone enables one to recognize the lines of demarcation; but it is a truth that rent, profit and interest, distinguished and separated from labor are pure exactions which can find no harmonious ground whatever in strict justice*.

It has been demonstrated that vast accumulations of wealth in the hands of a few result in widespread misery and poverty to many; it has been shown that vast accumulations come to the pessessors not by their own labor alone, but through drafts upon the labor of other men; through fundamental exclusions from the sources of wealth and means of employment; by means of rent of land, profits on production and interest on money; it is an indisputable inference that the equitable distribution of wealth, that phase of industrial life which yet resists the advancing principle of co-operation, is defeated through the accumulative processes involved in the exaction of rent, profit and interest, and that the true measure of distribution—a measure which prevent vast accumulations of wealth and eliminate extensive and distressing poverty—labor, receives no adequate recognition.

The theory of compensation to labor as a distributive measure, is dimly outlined and scantily practicalized by industrial leaders and writers upon economic philosophy; but so much more regard is paid to payment of rent, profit and interest, or the so-called compensation of land, capital and enterprise, that the labor factor, which is the only real and just measure of distribution, is practically neglected. It is in the line of private enterprise to prolong the clamor of compensation for land, capital and wealth; it is the very essence of public enterprise conducted by government after having equally distributed or socialized the common heritage in land, raw material, provisions,

*Profit is commonly so interlaced with compensation for labor—time and results—that its injustice is not so easy of demonstration as is the injustice of reut and interest. Profit which involves only an average compensation for time and services is just; but beyond that point exaction and injustice begins. The injustice of rent rests on the self-evident proposition that land was created for the use of all who have been invited to a residence on the earth by the Creator. Every man is entitled to its free use; his use being limited by the equal right of other men to use. Laws which give exclusive use of the earth's surface either for productive or residence purposes, inaugurate, and private land-owners complete the excluding injustice of rent. The Creator says to every human being, 'Live freely on the earth"; the human says, "Not unless you labor a portion of your time for me." The injustice of interest arises from a similar exclusion of men from the use of money which is a social production, as land is a natural production. Society produces money and charges no man interest and no interest should be exacted by one man from another; and it would not be exacted unless through a combination of exactions, the borrower had been deprived of the use of his portion of the common heritage in money. Society and government, its authorized agent, stand in the same relation with money as the invisible Force stands with relation to land. Both are creators, and free use of the products of creation is a common heritage. It has been the work of private enterprise to lay aside principles of justice regarding rent, profit and interest, and it is the future work of society, through public enterprise, to re-establish that justice which the individual, through private enterprise, has overthrown.

machinery and money—so that compensation for their use cannot be enforced—to eliminate the elements of rent, profit and interest, and to leave labor as the sole and just measure of distribution.

That public enterprise tends to eliminate rent, profit and interest and to establish labor as a measure of distribution is to be demonstrated by reference to the facts. It involves the slow, gradual and progressive nationalization of the requisite land, of the requisite raw material, of the requisite provisions, of the requisite forms and quantities of tools, implements and machinery, of the appliances of exchange, and the appropriate labor, in its different degrees of skill and phases of application. To secure required results, the nationalization of land is no more imperative than the nationalization of raw material, provisions, machinery, money and labor. Each of these are indispensable factors of successful production. Nor in the nationalization of these factors does it become necessary that all land, all raw material, all provisions, all machinery, all money or all labor shall be at once nationalized. The change from private to public enterprise can be undertaken and successfully accomplished—accomplished without producing industrial convulsions dangerous to the peace and prosperity of society—only step by step.

Nor from this point of vision does it appear requisite that all industry should be at once nationalized. From some future distant standpoint ultimate and complete nationalization may be seen to be compatible with the highest development and the widest liberty of the individual.

But what we of this period must bear in mind is that private enterprise must—and it may be predicted will—be displaced only at those points and along those lines upon which, and just so rapidly as, the public good demands. It is not advisable, however sweeping and far-reaching may be the projected plan of operations—it may be assumed to be impossible, considering the counter-balancing interests—to force the evolution of industry into a pace the rapidity of which will disrupt the present organization of society.

But if public enterprise, to any extent whatever, displaces private enterprise, to that extent it must involve the fractional nationalization of the indispensable factors of production and distribution. Thus, if transportation passes by the mandate of the people from private to public enterprise, the land requisite for stations, depots, roadways, sidetracks, will, through purchase, pass into national domain; the raw or finished material of fuel, of rails, of ties, of locomotives, cars—passenger and freight—and all requisite forms and phases of tools, implements and machinery would, by maunfacture or purchase, become nationalized; nationalization might pass to the provisions required to feed and clothe the nationalized labor, or it might not; that portion of money which now floats here and there, through the arenas

of industrial life, must needs come into and flow out of the national treasury. Labor, intellectual or manual, managerial or performing, from superintendent to fireman, from the chief of bureau to tradesman, would be nationalized through public employment. The nationalization of the factors of transportation does not, however, touch other land, other material—raw or ripe—other provisions, other money or other labor engaged in other enterprises. Public enerprise is as yet in its infancy, but so far as its operation reaches, it repudiates and practically eliminates the exactions of rent, profit and interest; exactions which are the chief stimulus of private enterprise conducted as it is for private advantage and greed. It also places men and their labor in that important industrial position which they should occupy and makes their effort the measure of distribution—distribution not only of the results of labor but of each laborer's interest in the common heritage,* which, through public enterprise and the process of nation alization is again made common. This is proved by reference to the facts of public enterprise so far as it has taken possession of the industrial world.

We know most of that phase of public enterprise comprised in the Post-office Department and managed by government. It is as yet but in its infancy, working under difficulties and surrounded by all the greedy and exacting influences of private enterprise. Operating in an open sea of private influences, customs and laws, government, though it pays profit and interest indirectly to private parties through contracts made for materials and services, though it pays rent for post-offices, it demands for *itself* no rent, no profit, no interest. Whatever rent, profit or interest it pays† to private parties is charged up in cost. The service, as is the service of all public enterprise, is rendered at *cost*. By ownership of its own fixtures it would be freer from the exactions of private enterprise; its expenditures would exclude all rent, profit and interest and include compensation for human labor, which it cannot own; and, affected by such current equities of compensation for labor as now obtain, human labor would become, as it is now proximately, the true measure of distribution.

Government stands before the world with reference to these standard exactions—this trinity of vampires upon the economic body—as

*The principle of distribution adopted by the most advanced economic writers is that the laborer is entitled to the results of his own labor. This principle is wanting and erratic in that no disposition is made of the common heritage in land, raw material, natural provisions and primitive appliances of production and exchange. That the result of a man's labor should be the *measure* of his interest in the national wealth is the result of creative as well as human labor; the former active day and night, winter and summer, while human labor operates in production about half the day and not all the year. This error arises from the concurrent fundamental economic error that all values are produced by human labor.

†Were this public enterprise organized as it might be, it would own its own fixtures, materials and appliances, and pay only its employed labor.

a single individual might stand in a community given up totally to the principles and practices of private enterprise. Let us suppose him to be engaged in the manufacture of wagon-hubs, spokes and felloes. If this votary of private enterprise owned his own land, buildings and fixtures he would have no rent to pay; if he was supplied with abundance of machinery and money, or better, could create it, he would have no interest to pay; if he owned his own forests of raw material, he would pay no profit on the material which came to his hand for transformation. He would then have but labor to compensate, and could turn out his commodity to wagon-makers at primitive cost, and labor, his own included—the economic myths of land and capital excluded—would equitably divide the proceeds of this adventure, conducted not for the accumulative purposes of private enterprise, but for the sake of his own subsistence, the subsistence of his employes and the general economic good of the community. Such a man, in the greedy money-getting period of this advancing civilization would be adjudged as insane. His sanity would be trumpeted to his fellows were he to add to his sum of costs, current rates of rent for his land, buildings and fixtures, current interest for the money used, and current profits not only on the raw material cut, sawed and hauled, but on the timber finished and turned out to his customers; and he would be deemed wise and sagacious did he control the production of hubs, spokes and felloes, were he to advance the price beyond cost, to the highest figures the traffic would bear; sane, wise and sagacious that he crowded down the wages of his employes to values, which, of no present use to him in the supply of his wants, might at some future time—all future time being an unknown factor—supply the wants of his indolent improvident and debauched descendants. In this day insanity stands adjudged as sanity!

Thus, private and public enterprise stand face to face over a contention which is destined to shake existing institutions to their foundations; the one championing the cause of human greed, the right of exclusion from common heritage, the exaction of rent, profit and interest, as compensation to industrial leadership, the accumulation of vast wealth into the possession of the few, and poverty and niggardly existence for the many; the other battling for the public good and the general welfare, against exclusion to even the weakest and humblest, for the elimination of rent, profit and interest, and for the fullestrecognition of labor in all forms and phases as the best title to an equitable portion of the nation's wealth. Private enterprise proposes in theory, to equitably individualize all the industrial factors; but it equitably individualizes nothing; it favors and promotes a plutocracy as in the ownership of the sources of wealth and appliance of production; it socializes and combines production into a complete co-operation, and

manages distribution to the establishment of a plutocracy of wealth. Public enterprise socializes the sources of wealth and appliances of production, manages production under the principle of equitable co-operation and distribution, and individualizes all wealth produced according to labor applied to each and every citizen. Private enterprise which appears to be individual in its operation, gives no consideration whatever to the large mass of individuals whereas public enterprise, which seems to stimulate and promote social industry, results in full and direct consideration and supply of the wants of the individual.

Private enterprise makes a few rich and crowds down the mass of laborers to mere subsistence; and maintaining without supporting, a vast army of unemployed as a menace to the employed, abandons millions to the degradation of alms and the tender mercies of charity.

Public enterprise equalizes the wealth of the nation and promotes no vast accumulations; duly compensates all laborers and tends as, it is extended, to remove the degradation and misery of pauperism.

DRIFT OF THE FORCES TOWARD CO-OPERATIVE DISTRIBUTION.

CHAPTER VII. SECTION I.

But in the presence of the uplifting forces the earnest procession of events, guided by unerring wisdom and incited by unbounded love, the argument of mortal man, his surmises, deductions and generalization, are of small moment.

Let us look to the overhanging skies and to the ever restless ocean, and mark the swaying of the winds and the drifting of the tides; let us consider the invisible promotings and gather knowledge not only of what is, but, if possible, infer what is to be.

To those who think of the earth as a theater of events inaugurated and directed by an invisible Power, the enterprises and purposes and plans of men, in the regulation even of their own destiny, individual or collective, hold but secondary consideration. Men may purpose, plan and execute in furtherance of cherished results, but their limited power not only takes on the semblance of impotence, but their most strenuous exertions often constitute the most powerful influence which results, through unrecognized forces and devices, human and divine, in their sudden defeat and their destructive overthrow. A notable illustration of this truth is the slave-holder's rebellion in the Southern States of America. They inaugurated a war in defense of negro slavery, which, through the execution of a mere determination on the part of the administration to save the Union, overthrew their cherished institution.

Similar forces are now operating in every civilized nation of the globe to overthrow, another form of industrial oppression. The pernicious influence which built up and sustains another violation of human liberty, is destined, unless it curbs its love of wealth and power, to become the most active factor for its own overthrow.

That form of industrial oppression is embodied in private enterprise; and while it is within the possibilities that private enterprise may shake off the incubus which is making its reign a reign of industrial plunder and misery, the more reasonable presumption is that it will go down with the load of injustice on its back and both perish together.

The question that we now consider is, does the drift of events—the facts and forces, the growths and movements of industrial life—indicate the decadence of private enterprise and the occupation of

its fields and administration of its functions by something better? It will be attempted to show briefly that it does.

Attention has been directed to the fact that industrial individualism is of short life; that when two men become neighbors, the social element asserts itself and co-operation begins its industrial career through the division of labor and perpetuates itself through exchange; and that it has gradually become and is now the controlling principle of all productive processes. The details of this gradual evolution it is not necessary, even if it were possible, here to outline. Attention has been further drawn to the truth that competition which stimulates industrial life to the verge of desperation and colors its every phase, is essentially the struggle of producers one with the other, for the wealth produced; it involves the matter of distribution.

It has been noted that capitalism, or industrial leadership in modern enterprise, is based upon, secured and established through acquirement of the sources of wealth and appliances of production by a few laborers, favored by nature and circumstance over their fellows; and it has been remarked that, while competition affects the interests of employes, to a degree disastrous to the weak and ignorant, the center of its life lies in the struggle of employers, one with and all with one, for the prizes of industry. The herculean effort which incites the industrial world and gives character to its operations is the competitive conflict, carried to the extreme of individual and corporate power that everywhere rages between employers. Through the perpetual competitive struggle of employers who have inaugurated and brought co-operative production to its present high standard of effectiveness, competition has been forced upon employers, and consumers are taught to contend for the lowest prices. Justice and peace are of secondary importance; war everywhere prevails for subsistence, comfort or luxury; war for ease, position, power and personal sovereignty.

But in the midst and out of this vast tempest of industrial war have emerged, are emerging the benign forces and intelligences which inspire the growing love of humanity and justice; forces and intelligence which, deriving origin in the Divine Love, permeate even the lowest and cruelest phases of industrial contention and give prospect of a better day; forces and intelligences, which, embodied in human form are destined to curb, restrain, direct and transform, even the contentions and industrial violence of employers, employees and consumers into a permanent disposition to regulate industrial affairs to a just and humane standard.

These humanitarian forces overhang, surround, flow into and permeate the grosser principles and elements of business contentions giving unconscious touch and determination, when and where the least supposed. There are ever busy, watchful, penetrative and in-

fluential. Sympathy, tenderness, love, humanity, justice, belong exclusively to no one class of the industrial factors. They emanate from the personnel of all factors of industrial life. They well up from the affections and thoughts of the successful and wealthy as from those of the anxious, defeated, oppressed and miserable. Through the noise and smoke of battle, over the fierce struggle of narrow and selfish interests, upon a universal system of industrial vampirism, they wave olive branches of peace, and point out avenues to universal prosperity and satisfaction. They entice the soul from its sordid seductions and arouse humanity to aspirations for industrial conditions more equitable and merciful.

To the direction and energy of these two forces with their corresponding intelligences—the purely and cruely business, the truly and tenderly beneficent—those who would presage the course of industrial evolution, must give careful and disinterested attention.

The reader is invited first and principally to considerations of the former. Civilized humanity is yet full of the spirit of conflict. It takes on the industrial plane the name and form of competition. It is industrial force against industrial force, and the person or corporation which succeeds in concentrating the largest force against industrial antagonists, takes the industrial prize.

Concentration of industrial forces under private enterprise, involves the aggregation of land, material, men, machinery and money to be used for a single purpose and under one management. The prerequisites of industrial enterprise, it will be noted, bear marked resemblance to the prerequisites of military enterprise. The civilized world imagines, and prides itself, that it has passed from conditions of war to peace; it is not so, war has been merely transferred from the military to the industrial plane.

So long as the economic interests of an entire nation are left to a thousand centres of interest and management, so long as private enterprise with individual ambition and greed as the purpose of its existence, holds economic sway, so long will industrial war with its concomitants of cruelty, suffering, poverty and crime, continue to devastate, in the very arena where it creates and constructs.

But this war of industrial competition is moving forward, step by step, incited by its own pernicious and selfish ends, to that harmony, peace and justice for which it is said all wars are waged. Beginning with the single individual and stimulated ever by the wants and greeds* of the individual, and fighting singly every other person, it has rapidly advanced through successive grades of combination; and at each step it has introduced more largely that element of co-operative distribution which is the goal of industrial development. Where

*Greed is want carried to the stimulated degree and intensity of modified insanity. Want is a healthy phase of industrial purpose; greed a diseased condition of the same.

two mechanics or merchants have individually competed, one with the other, they have later combined on a harmonious agreement to work together, and divide equitably the results of their combined enterprise.

Where among the industrial forces enterprise originated, there in the partnership also originated this germ of co-operative distribution. But do not suppose these men are prompted to unite by an especial love of equity *per se.* Few men love equity itself; nevertheless, at this point originates distribution of results of combined production—work on the basis of equity; equity, not because its operation is worthy of extension to all, but because it is selfishly good for the two parties to the transaction. Here begins that co-operative distribution for the result of which the world is in evident expectancy. This is the germinal cell that is destined to produce and perpetuate multitudinous, efficient and beneficent posterity.

When two or more peers enter into a negotiation and combine for a given industry, being peers, equity and justice between themselves must always be a consideration. Absolute justice may not be reached, but the soil in which it grows, viz.: agreement, co-operation or combination, is prepared, and the growth of the tree is a matter of care and culture.

But while there is peace within there is war without; while industrial equity asserts itself within, industrial force plays with violence all around. And this very combination increases the activity and force of competition, to meet and overcome which, other men must combine. But in their combination another move is made toward an equitable division of products or spoils, and co-oporative distribution makes another stride forward and expands its growing influence correspondingly over individual operations. Thus, step by step, in place after place, partnership after partnership of two or more industrial leaders or capitalists, embracing all forms of production—agricultural, manufacturing, commercial and financial—have entered the industrial arena; through combination, introducing everywhere the beneficent principle of equity and increasing the number of industrial units committed to its establishment; while it decreases the number of competitive units, it increases the force of competitive energy.

But the partnership has not afforded sufficient instrumentality nor ample field for the promotion of private interests, or for the evolution of co-operative combination; for the introduction of co-operative equity and the establishment of co-operative distribution.

To meet the requirements, private corporations were schemed and introduced. Corporations not only admit the combinations of a larger number of individuals in a single enterprise, but the theory of their existence and administration of industrial affairs places distribution

on a more exact if not more equitable basis*. According to the exact interest of each share-holder, measured by the current measure of value or price, exactly in proportion to the amount of effort expended by one person in promoting and establishing the enterprise for which the corporation was endowed with existence, does that person draw from the net results of production. That many corporations have become, through the management of their trustees, sink-holes of industrial corruption and dishonesty, is true. On the contrary, those which have been managed according to the intent of the theory and the purpose of the organizing law, have illustrated and verified the truth that they contribute to the growth and extension of co-operative distribution. Even those corporations which have fleeced the major portion of their smaller stockholders, embody a managing ring, the individuals of which must and do observe a just and equitable distribution of their joint plunderings between themselves. These corporations following the lead of copartnerships and stimulated into existence by the necessity of larger and more compact combinations to meet the strengthening competition of strong partnerships, have entered the industrial arena, absorbed all forms of production and proximately displaced the individual and the partnership.

Following the natural law which involves the survival of the fittest and the preponderance of might rather than sympathy and right, the large have swallowed and absorbed the small. And yet, while this process has been advancing, so also has the principle of co-operative distribution been carried to a broader arena and higher tide.

But combination does not rest at this point. As regards most forms of industry, either one corporation has absorbed individuals, partnerships and smaller corporations engaged in a given industry, or a number of the larger corporations have organized themselves into a gigantic ring or pool, embracing a large territory or the entire domain of the nation. To this advanced movement of combination also, they have been stimulated by the force and fierceness of the competition which the industrial struggle of composite corporations strengthened. Each corporation has brought to bear upon its rivals, to the fullest extent, the appliances of industrial force, and received return attacks with its defensive ability, until each and all were glad to enter combinations which favored recognition of their claimed industrial rights, and gave warrant through compromise, of an equitable distribution of productive results.

Through these movements, co-operative distribution—voluntary co-operation practically established according to existing equities —gains ground. Harmony is the only soil in which it can grow.

*The reader will understand that the practices of corporate managers has, in some instances, nearly inverted the fundamental theory of their structures. Men are usually forced (at first) to deal justly, so long have they freely excused industrial violence. Trustees of corporations are no exception.

Within all voluntary established combinations, industrial harmony or co-operation can exist; without them, industrial war or competition must continue.

As regards the evolution of co-operative distribution, to this point, we have considered but one of the several human industrial factors, viz.: the industrial leader or capitalistic class*.

It will not be supposed however, that the equity which they deal out to themselves by common consent they deal out to the other industrial factors. On the contrary, they apply industrial force without reluctance or scruple; in one direction to employed laborers and to patrons or consumers in another. The equity which they concede one to another, they concede because their subjective greed impels them to take all they can get; and how much they can get is limited by the struggles going on about them; in other words, they deal out equity one to another because in their judgment they can secure more of the results of production thereby, than through the continuance of an all-around, rough and tumble competition.

But what, under the impulse of self-interest, subjective and objective, is the other grand division of the productive force accomplishing towards the introduction and establishment of co-operative distribution? What are laborers achieving for themselves and how are they affecting the general result?

Organization and combination of the leaders of industry—capitalists—has been progressing for two or three centuries; organization of laborers has assumed important proportions only within the half century past. Organization of the former, intent alone on advancing self-interest, has driven loborers to organize and combine in self-defense. Most universally beginning life, devoid of their proportionate and natural interest in the means of self-employment, they enter their manhood career dependent on the selfish enterprise and activity of those who hold the sources of wealth and appliances of production. Ground between the upper and active millstone of industrial leaders and the lower millstone of patronizing consumers, the one demanding high prices, the other low, their lot has been one calculated to arouse the energy of despair.

Considering the usual meagerness of opportunity and absence of industrial facilities, their struggle to emancipate themselves from the thraldom of proletarianism and secure a footing on the soil, and access to the sources of wealth, has been prolonged, brave and noble. As capitalists have achieved their power over the industrial world through combined action, laborers are compelled to assert themselves through the same appliance.

*The personnel of industrial economy is included in two classes, viz.: producers and consumers. Producers are divided into capitalists or industrial leaders and laborers, or industrial rank and file. Consumers, with reference to any one or all commodities, embrace the entire population.

Distribution, owing to the fact that commodities, at the point of completion, are legally owned by employers, can scarcely be said to be within the function assigned to the operations of laborers. Nevertheless distribution—equitable distribution of commodities produced by the joint effort of creative and human labor, to enforce the right to sit in council with all co-laborers and assist in determining the portion of wealth which each productive unit should possess and enjoy; to extend co-operative distribution to both divisions of the productive force and to the entire result of productive effort—is the objective point and end of all organizations originated and maintained by laborers.

Their proposal is to extend an equitable distribution to all producers and not permit the major portion of national wealth to be distributed equitably only between a small number of capitalists. To these colossal combinations laborers have been driven and are yet to be driven by a necessary self-consideration and the fierce greed of industrial leaders on one hand and consumers on the other. Through these combinations, national and international, thus incited to being, is co-operative distribution carried forward to more nice and precise phases of equitable efficiency; division of the common heritage and compensation to man—and not to the inanimate things, capital and land—being the keynote of their demands.

It is especially to the lasting credit of these organizations that they have awakened a momentum which promises ultimately to eliminate the vicious elements of rent, profit and interest from all distributive apportionments, and place, in conjunction with an equitable division of the common heritage, human labor, measured by time or result, as the ultimate standard of distribution; that in this momentum they practically recognized a principle of human equality which issues from that deeper and more significant principle involved in the "fatherhood of God and the brotherhood of man"; that they bid fair to establish among the nations of earth that industrial democracy—the democracy of wealth—the nonexistence of which renders all other phases of democracy—religious, social, political and civil—the masquerading paraphernalia of a real, vicious and ignoble aristocracy. But to these movements, also, laborers are driven primarily and most powerfully by the baser force—self-aggrandizement.

In this relation, the influence of consumers is of importance only when the consumers and the producers of given commodities constitute a distinct aggregation of the community. When the personality of consumers differ from the personality of producers, consumers are intensely interested in low prices. All producers are consumers of some, if not all of the commodities. As the influence of uncombined competition, so long known as the regulator of prices, is fast

disappearing from the industrial arena, the interested influence of combined consumers, operating through the instrument of organized society—government—is as rapidly assuming its place and exercising its power. If the water company, having a monopoly of supply, maintains prices at an exacting altitude, consumers, through political and civil action, swoop down upon the company and demands lower prices. If the elevator companies of Wisconsin combine to fleece the farmers on handling and storing wheat, consumers, constituting the entire community, appeal to the law for redress and are sustained in their appeal by legislatures and courts of highest jurisdiction.

If the transportation companies holding the highways of the country, engage in wholesale robbery, consumers combine in state and nation, and pass and execute laws which tend to bring freights and fares to the basis of a fair and even-handed compensation. If foiled, they persevere, and even though it becomes necessary that private enterprise be displaced, will ultimately succeed.

Organization of the industrial sections, under industrial leadership, detachments or principalities of the various industries, is in the midst of a rapid and expansive movement. Organization of laborers connected with the various industries is following the processes of a rapid development and has assumed extensive and powerful proportions. Organization of consumers who constitute the bulk of the people, through occasional and under pressure of, industrial abuses perpetrated by private enterprise and industrial leadership, has assumed, through political action, national proportions, and exists by an intuitive national consent. These three active factors of economic life are moving forward to the assumption of national proportions, each intent on securing the establishment of self-interest; each through respective combinations committed to an equitable distribution of industrial results, to the section and units of its own composition, and each fiercely, blindly at times, opposed to, but unwittingly concerned in the evolution and establishment of permanent national co-operative distribution.

The selfish force stands out therefore, as the paramount force, which, directed by an invisible Intelligence, is carrying industrial affairs irresistibly to a better, higher and more just plane of principle and of life. The conflicts which it engenders and stimulates grow more virulent, stupendous and destructive as combination progresses; and the more fiercely competition rages and the wider range it covers, the more apparent becomes its senseless inutility; and more necessary to the physical well-being of mankind becomes a distribution of the world's wealth through a concurrent co-operative consent and the use of a measure of distribution based upon the rights and efforts of each individual. A general and concurrent co-operative consent is best and more surely reached through public en-

terprise conducted by a representative or republican form of government; a government wherein the consent of the government is the basis of the civil fabric.

If a man produces for himself alone, no occasion arises why he should quarrel with himself regarding distribution. He must have and give ample nutrition and protectian to every tissue, structure and function of his system and there the matter terminates.

If a given community produces, *as a community*, what it consumes, and consumes what it produces, no cause arises for contention as to the distribution; each portion and unit of the community will receive by virtue of his atomic relation to the whole, his portion of the common commodity.

If a State or nation *as a State or nation*, undertakes to conduct one or many forms of industry for the benefit of its consumers, each citizen under similar and equal conditions with all other citizens, receives his quota of the common or natural product. Whatever the product be, protection of life and property from domestic or foreign interference, postage, exchange, transportation or educational facilities, it is the concurrent consent that what is produced through the co-operative principle, shall be distributed through operation of the same principle. No contention or competition arises to exclude one citizen from the uses which others enjoy on similar terms. A common concurrent consent prevails and each citizen is concerned only to secure means for compliance with the conditions which are open alike to all.

On the contrary, it is the continued end of private enterprise to corner and exclude, exact and plunder so many as, and to the extremest extent, possible, and to distribute to the few, much, and to the many, little. Industry, to be organized, must have its leadership, its followers and assistants, and its mass of dependent consumers. Private enterprise secures leadership from the individual, its following and support from the mass of employes, and its consumers from the entire population of the nation.

Public enterprise finds leadership in organized society, through the functions of government, its support and following from officers and employes of government and its consumers from the nation *en masse*. The former labors directly for selfish interests, and indirectly for the satisfaction of others. The latter performs its services directly to increase both private and public welfare.

It is the tendency of the lower and selfish forces, working through the industrial economies, to drive industrial operations out and from under control of private enterprise with its individual leadership, its narrow ends and its competitive and iniquitous distribution, to public enterprise with its national leadership, its broad purposes, humane considerations and its co-operative and equitable distribution.

How far and to what extent the leaders of private enterprise—in their own interests—have already advanced toward that general and massive combination which organized industry seems to be approaching, is to be determined by the facts.

For a half century or more, industrial leaders, prompted principally by individual interests, thereby best subserved, have promoted organization into combinations of less or greater extent and power. The facts here narrated, are gathered* from the report of proceedings of the conventions of innumerable manufacturers, dealers and producers. These combinations of industrial leaders were made to avoid competition between themselves and by depressing wages and prices of raw material, and raising prices of commodity to consumers, enable them to reap a richer reward than could be otherwise reaped.

We will consider some of them to the stature of their growth in 1884, and leave the intelligent reader to follow their further aggregations, through public reports of their subsequent operations. As they have risen through no uniform succession, we will observe no method in presenting them.

Two years ago it was found there was too much milk in New York and Boston. The farmers of Orange county, who supply New York with two-thirds of its milk, declared a milk war. After a desperate and unscrupulous struggle against the New York dealers, against those farmers reluctant to join the combination, against the Lehigh and Hudson railroad, against sheriffs and deputy-sheriffs who were deputed to protect individual shippers—the streets of Warwick having been barricaded by ropes, and men with guns, pistols and clubs protecting those collecting milk—peace was declared March 24, 1883.

A committee of the farmers and a committee of milkmen representing eight hundred dealers in New York, Brooklyn and Jersey City, agreed upon a fixed price for each month until April, 1884, ranging from two and one-half to four cents a quart, according to the time of the year. The organization spread until it covered Delaware, Orange and Sullivan counties in New York, and Hunterdon and Sussex counties in New Jersey.

March 22, 1884, the farmers' committee and that of the milk dealers' organization, known as the "Pump-handle Association," met again and agreed on prices for another twelve months. The trade in milk at the point of largest consumption in the United States, now rests in the hands of these same combinations. The same process is going on at other places. The New England Milk Producer's Association met in Boston for the purpose of thoroughly organizing the milk farmers. Representatives from New York who

*I am indebted to Henry D. Lloyd—*North American Review*—for most of the facts here presented, partly in his language.

had led the movement there, were present to point out the way. One gentleman sent a check for one hundred dollars to pay for milk to pour on the ground, to help the success of the producer's cause. The membership was increased from 86 to 291. All farmers were called on to join the association and do all in their power to solve the "milk problem." On March 22, 1884, the day of a similar meeting in New York, the association met again in Boston, conferred with the representatives of the milk dealers, fixed the price of milk from April to October and adjourned.

The principle of competition was abandoned as detrimental to the interests of competitors; and while in this instance the wages of employes does not figure, consumers were deprived the coveted benefits of competitive prices.

Cattle kings have combinations to defend themselves from cattle thieves, state legislatures and other enemies to their interests, and propose to extend the list to include middlemen at the stock yards; the latter having formed combinations to deprive beef producers the advantage of competitive purchasers. The Stock-growers Association of Wyoming have $100,000,000 in cattle. It was unanimously decided that its business had been seriously injured by the pooling arrangements prevailing among buyers at the Chicago stock yards, and the executive committee was invited to obtain the fullest possible information as to the means by which cattle might be shipped directly to the European customer.

Other combinations more or less successful have been made by ice men and fish dealers of New York, Boston, San Francisco and other large cities. The millers of the western states have taken steps to combine.

Sugar has become the centre of two vast combinations, one controling prices and dictating wages east of the Rocky mountains, the other having subjected employes and consumers from the Rockies to the Pacific. It requires but another step, viz., the combination of these two immense pools, to nationalize the sugar industry and place consumers fully within their power. In these combinations neither employes nor consumers are concerned, both being objects of plunder by industrial leaders; the former through low wages, the latter by high prices.

In the matter of stoves, matches and fuel, operators have not failed to drop the principle of competition, and in their own interests, lay the groundwork among themselves, of co-operative distribution. Since 1872, there has been a national combination of the manufacturers of stoves, and its effect, said the founder, in his speech at the annual banquet in Cleveland last February (1884), had been to carry the balance from the wrong to the right side of the ledger.

The combination of match manufacturers was perfected by the ex-

perience of sixteen years of fusion. It is now at war with the new companies which have gone into the manufacture since the repeal of the internal revenue tax. It is attempting to conquer these by underselling them; tactics which have hitherto rarely failed. The government of the United States, before whom all men are equal*, helped this combination to kill off its competitors, shielding it from foreign competition by a tax of thirty-five per cent. on the importation of matches from abroad, and shielding it from domestic competition by administering the internal revenue tax so as to make its small competitors pay ten per cent. more tax. This drove them into bankruptcy, or combination with the ring at the rate of one or two per month. The railroads, like tne government, helped to transfer this business from the many to the few by carrying the combination's matches at lower rates than were given to its little competitors.

Among the greatest combinations of the age are those connected with the production and extraction of fuel and light; coke, coal and kerosene. The operations of capitalists in connection therewith, and the connivance of the government in their cruel manipulations, viewed from a humanitarian standpoint, is astounding and disgraceful to the verge of criminality.

Combination which controls the amount and price of coal consumed in the United States, operates substantially from Pennsylvania as a centre. The total amount of anthracite coal land is estimated at 270,000 acres. This is held principally by six companies, viz.: the Reading Coal and Iron Co., 110,000; Lehigh Valley Co., 25,000; Delaware, Lackawana and Western Co., 20,000; Delaware and Hudson Co., 20,000; Pennsylvania Coal Co., 10,000 and the Pennsylvania Railroad Co., 10,000. The other 75,000 acres are held by individuals, firms and corporations, which are necessarily tributary to the railroad lines of the companies above named, involving the dependent conditions which that implies. The capitalization of these companies with that of their satellites, is upward of $500,000,000 The price of coal along a large portion of the Atlantic coast and interior so far as Buffalo and Pittsburg, is regulated directly by these companies. Prices of coal west of Buffalo and Pittsburg, and in Canada, are ostensibly regulated by the Western Anthracite Coal Association, but really by the large railroad and mine owners of Pennsylvania. Our annual consumption of anthracite is about 32,000,000 tons, of which the West takes about 6,000,000 tons. The companies which comprise the combination and are under its control, mine, sell and transport their own coal. They are gradually obliterating other mine owners by absorbing their holdings. Dealers

*This is a single instance of the inconsistent legislation which the conflicting interests of private enterprise engenders.

are sinking into mere agents of the combination, with as little freedom as the employee and the consumer.

The combination limits the supply and thereby creates a demand that will pay any price they choose to make. Its entire object is to force consumers to pay high prices; but it can be maintained only by making an equitable distribution of the results to those comprising the combination; by inaugurating unconsciously, among employers, that co-operative distribution which is destined to become general.

In those districts where soft coal must go to a competitive market, combinations are at work to inaugurate—they do not know it—co-operative distribution. A pool has just been formed (1884) covering the annual product of 6,000,000 tons of the mines of Ohio. Indiana and Illinois are to be brought in, and it is proposed to extend the combination to all the bituminous coal districts that compete with each other.

Powerful syndicates are at work to control the coke interests of Pennsylvania. It was stated March 23, 1884, that the efforts of a year or more to consolidate the large and small coke makers had succeeded. Nearly 8,000 ovens joined the pool which was placed under the command of the four largest firms; the smaller men agreeing to shut their ovens whenever the heads of the pool ordered. It was soon announced from headquarters that one oven out of every seven had been closed until further orders, that the price of coke had been advanced from ninety-five cents to one dollar and fifteen cents per ton, and that further advances would be made until the price reached one dollar and a half.

In March 1883, a combination was made of all the large production of coke iron furnaces—with one exception—in Tennessee, Alabama and Georgia to fix uniform prices and prevent indiscriminate competition.

Of course, the small companies and smaller operators, whose active competition tended to keep prices at a reasonable figure, will be forced to enter the pool; then will come the period of low wages to employes and high prices to consumers; then the combination of employes to oppose low wages, then the combination of consumers to oppose high prices, and ultimately the combination of employers, employes and consumers in one grand pool, where co-operative distribution may work beneficence to each and all concerned.

Until then, until industrial evolution shall have brought industrial affairs to this ideal *desideratum*, the matches of combined match employers will light the coal of combined coal employers in the stoves of combined stove employers, and employes and consumers barred from use of the sources of these commodities and the appli-

ances through which they are produced, will make the best terms possible with the industrial lords of the nation.

The progressive aggregation of individuals, firms and corporations, which have finally resulted in the Standard Oil Company, are matters of industrial history accessible to every one. If one industry more than another has approximated the point of nationalization, the palm of development belongs to this monopoly. Few, if any, organizations engaged in the coal oil business, make any pretention to oppose the expressed demands of the Standard Oil Comyany. It dictates the price of oil lands, of raw material taken out by a few isolated firms or companies, of wages paid to laborers, and of prices paid by consumers. In its own field of operations it is a veritable industrial autocrat.

A peer of this gigantic monopoly, as regards the extent and thoroughness of its organization, is that which embodies the rubber industry of America. A recent account of its operations* states that the scheme embraces "the plan of doing away with the business of two hundred importers, and concentrates the buying power in the hands of one brokerage house. It also fixes the price of India rubber and likewise the returns to the rubber cutter and revenue to the owner of rubber lands. It compels the jobber to pay the combination what its managers consider a fair return, but does not altogether shut him out from the trade; leaving him free to retrench himself from the retailer and the latter from the "dear public" and thousands of wage earners. "At a meeting of representatives to-day, the trust was formed like the celebrated cotton oil trust, by the absolute surrender of every mill in the country to the control of the pool trustees. A large capital was subscribed, Messrs. Benaigan, Alden and Meyer were chosen directors. They are to be the autocrats of the pool at a combined salary of $40,000 per annum. The industry to-day represents an investment of nearly $50,000,000, and an annual trade nearly twice that amount."

On the 3d of April 1884, the largest and most influential meeting of cotton manufacturers ever held in the South, came together at Augusta, Georgia, to take measures to cure the devastating plague of too much cotton cloth. A plan was unanimously adopted for the organization of a Southern Manufacturer's Association.

Four years ago (1880) the Chicago Lumbermen's Exchange adopted a resolution declaring it to be dishonorable for any dealer to make lower prices than those published by it for control of one of the greatest lumber markets of the world. Monthly reports are required from dealers by this exchange and price lists are made honest by monthly banquets.

* New York *Times*, June 2, 1887.

A delegation of dealers from the Mississippi river district, expressed their willingness that Chicago should make prices for them. A secret meeting of lumbermen from all parts of the West was held in Chicago March 8, 1883, to discuss means for advancing prices, restricting production at least thirty-five per cent., and, in the language of one of them, putting themselves in a position to dictate prices for the entire country. In May, 1883, the National Association of lumber-dealers met in Chicago. It represented over five hundred and fifty retail dealers in the West, and the principal purpose of its meeting was to prevent wholesale dealers at Chicago, St. Lou's and other cities from retailing lumber to carpenters, farmers and scalpers living and operating in the territory of the retailers. It was provided that any wholesaler who persisted in competing in this way with local dealers, should, when found guilty, be named to all retailers, and punished by the boycott.

On the Pacific coast, it is alleged that there are too many mills and too much lumber. The lumber market of the coast is ruled by the California Lumber Exchange, and that, in turn, is controled by a few powerful firms.

The American Wall-paper Association has established a wall-paper monarchy in the United States, and when the cook takes the paper from off the express package, the hardware, ham, groceries, candy and dry-goods which have been sent home, he handles an article the price of which is fixed by the private enactments of the Western Wrapping-paper Association—an organization which, since 1880, has been struggling to keep down the deluge of too much wrapping-paper, and fix the prices of all kinds; from the paper under the carpet to that which is used in roofing. At a recent reorganization it was placed on a firmer footing than before. The mills are now allowed to turn out but one-half as much as they are capable of producing. Through this cutting process the organization is placed in a position to "lay off" employes, place wages at the lowest possible point and hold goods at the highest possible price. The wood-pulp and straw paper industries have also been amalgamated. The American Paper Association aims to control the production and prices of paper for newspapers, books and writing.

The dealers in old rags and old paper are not satisfied to leave competition a run of freedom. The trade met at Rochester in Jan. 1883, formed two national associations and solemnly agreed upon the prices to be paid for mixed rags and for brown paper and rag carpet. "No change of price for rags or paper" runs the decree of the old-rag barons; "is to be made without consulting every member of the executive committee." Thus is solved the "old rag" problem of how to cut down the enormous profits the women of America are making from the contents of their rag-bags.

The members of the Western Wooden-ware Association long since gave up the alleged advantages of competitive distribution. It met last December (1883) and finding that pails, tubs and tools were increasing at a ratio too rapid to suit current economic views, ordered its numbers to manufacture but one-fifth of their capacity. In February, 1884, it gave them permission to increase this to one-half.

The Western Cracker Bakers Association met in Chicago February 1884, to consider among other things "the reprehensible system of cutting prices." They proposed at once to decline competition and before they adjourned their price-lists were perfected.

The men who make our Shrouds and Coffins have formed a close corporation known as the National Burial-case Association, and held their national convention in Chicago last year. Lest mortality should be discouraged their action to keep up prices and keep down the number of coffins and the number of employes was kept secret.

A pool of the seventeen Quinine manufacturers of the world was formed July, 1883. It included the manufacturers of America, Great Britain and the continent of Europe. A combination of druggists and drug manufacturers have mutually agreed to divide the United States into districts, eaeh of which shall be under a superintendent, who is to watch the druggists and report all those cutting prices. The latter are to be boycotted.

Iron Manufacturers and Dealers are forced into combinations to avert the destructive influence of competition; to limit the quantity of iron, the number of employes, the quantity of wages paid and to advance prices to a point, short of that which might induce the income of new iron enterprises, or force consumers to appeal to political and civil influence for protection from the exactions of producers.

Beginning with pig iron, the *Age of Steel* startled the country in January, 1884, by the statement that a monster pool was to be formed of all our pig-iron manufacturers. The country was to be divided into six districts, and as many furnaces were to be put out of blast as were hecessary to prevent us from having too much iron. The idle furnaces were to share the profits of those that ran. In June, 1884, this scheme had not been put into operation. It demonstrated, however, the universal tendency of all industrial leaders to avoid the destructive results of competitive distribution.

The thirty-million-dollar Steel Combination, did not keep the price of rails from declining from $166 per ton in 1867, to $32 per ton in 1884, but during this decline it has kept the price of rails higher in America than anywhere else. Chairman Morrison, of the Committee of Ways and Means, is a witness to the fact that the chimneys of the Vulcan Mill, at St. Louis, stood smokeless for years, and meanwhile its owners received a subsidy, reported at $400,000 a

year, from the other mills of the combination for *not* making rails. The human machines connected with the establishment—self-feeders—were not paid for doing nothing. Competition is good enough for them. The steel-rail makers of England, France, Belgium and Germany are negotiating for an international combination to keep up prices.*

The Nail Association, November, 1884, ordered a suspension of the nail mills, for five weeks. Said the nail men—December, 1882—"we hope to control production, unanimously, and at the very time when nails are not wanted." April 9th, 1884, the nail-makers of the West met again at Pittsburgh and adopted the most modern form of pool, with managers having full power to restrict production, regulate prices and establish the rate of wages. Every mill is in the pool. Nail buyers are not allowed to converse with nail makers. All business must be done through the Board of Control.

Competitive distribution—the reader will remember that production is everywhere co-operative—is too tough a rule for the capitalists—industrial leaders—engaged in the manufacture of barbed wire; and a pool under the entire control of eleven directors has within a few weeks been formed, in which are enrolled all the chief manufacturers. They met in St. Louis, March, 1884, and advanced prices—and in Chicago, April, 1884—and repeated the same, to themselves, agreeable operation.

This combination cuts off competition at both ends. It confederates the makers so that they shall not sell in competition with each other, and it buys all its raw material through one purchasing agent, so that its members do not buy in competition. If it would make two steps more; viz., take all the barbed-wire workers and all the consumers of barbed-wire into the pool, it would have established, in its own arena at least, the groundwork of a complete system of co-operative distribution.

The production of wrought iron is controled by the Empire Iron Company. One feature of this pool is that it proposed to put men on guard at each mill to keep account of the pipe made and shipped, and these superintendents are to be moved around from one mill to another, at least once every eight weeks.

The whisky distiller's pool regulates production, prices and exports north of the Ohio river to the Pacific ocean. A large number of distillers are kept idle drawing pensions from the combination.

The publishers of school books do not like competition; and they are equally opposed to a combination of the consumers under State control, to manufacture their own books. They virtually advocate co-operation for themselves, but not for the consumers, whom they

*I am yet drawing from the article of H. G. Lloyd, North American Review, June 1884.

deem it their right, as it is the admitted right of all other producers, to fleece *ad libitum*. Nineteen of the leading firms of the country have formed a combination by which they are bound, under heavy penalty, to obey the orders of an executive committee as to prices and other matters.

The competition of the Fire-Insurance companies which broke out in 1875 upon the collapse of their pool, cost them in New York city about $17,500,000, in seven years. In 1882 they formed a new combination which covered the entire country, and which, in point of wealth and cohesiveness, is one of the most powerful and successful in the country.

To these extents and to the dates mentioned, the industrial leaders —capitalists—of the nation have expressed their preference as against competition and have placed themselves with relation to each other, in a position where they are driven to observe among themselves at least, an equitable distribution of the wealth which comes into their hands. The observance of the dictates of an equitable or co-operative distribution within their own narrow arena is thus forced upon them by self-interest alone; narrow arena in one sense and broad in another; narrow in that the benefits of co-operative distribution are restricted to a few capitalists; broad, in that, at the fountain head of industrial evolution, it involves nearly all the special industries of the country.

The thoughtful reader will recognize three considerations which are continually operating to introduce among capitalists and ultimately everywhere co-operative distribution; considerations which cannot be avoided or escaped. First, the disposition to escape the impoverishing results of strong competition; second, the necessity to that end, of introducing the principle of combination or co-operation; and third, the not-to-be escaped necessity of adopting and enforcing among themselves the principle of equitable distribution, which should be an inseparable attendant of co-operative production.

He will also realize the fact that every step is taken by the individuals involved, in furtherance of self-interest. The writer has discussed with friends the betterments which should and must come to mankind in the field of economies; has usually been confronted with the proposition that nothing can be accomplished until first the selfish nature of man has come to be eliminated. He did not then see as clearly as he does now, that the very storm of self-interest which crowds and batters tempest-tossed humanity, is bearing it into a harbor of mutual regard and care; and that that excess of human selfishness which disgraces and debases the human race, will disappear concurrently with, or subsequently to, a change of material conditions that furnish the soil and atmosphere for better and nobler growths.

In a soil and an atmosphere of perpetual conflict, military, political or industrial, it is impossible for humanity to reach its highest and noblest development.

COMBINATION OF LABORERS OR EMPLOYES.

CHAPTER VII., SECTION II.

In the previous section the writer has endeavored to portray, in detail, the present stage through which co-operative distribution among capitalists, forced by the destructive tendencies of competition, is progressively advancing. He has pointed out the silver lining to the industrial cloud that hovers menacingly over the liberties and the economic prospects of humanity.

But the cloud is there; and against all outsiders, against employes and consumers, the co-operative capitalistic rings, possessing vantage ground not possessed by laborers or consumers—in that through priority, heredity or purchase, they hold the natural sources of wealth and the social appliances of production under a control which excludes laborers from their independent use—crush and grind with increased cruelty. Humanity or justice to employes and consumers is not part or parcel of their policy. Following the law of co-operation, they co operate alone with those units included within their compact and compete all the more powerfully, as they are powerfully combined, against those excluded from its advantages.

But the inextinguishable force of self-interest lives and sings in manly breasts, other than those of capitalistic employers and in wider fields springs into defensive activity. The co operations of capitalists have necessitated and yet necessitate corresponding combinations of laborers and consumers. While the advantage of employers lies in their superior intelligence and control of the sources of wealth and appliances of production, the advantage of employes and consumers lies in their necessities, their overpowering numbers and the promptings of outraged justice, and, especially, that they have all to gain and but little to lose.

Combinations of capitalists going on for a century or more have aroused into desperate activity the laborers of the nation. Organization has been advancing for a half century or more and within these organizations the seed of an equitable distribution of the world's wealth has sprung into a broad, deep and expanding life. Incited to action by prolonged periods of soulless exactions on the part of employers, who, through law, hold exclusively the entire means of employment from the masses about them; incited to action by natural justice overbourn and outraged, it is not remarkable that com-

binations of employes should at once adopt, with reference to their individual constituents, proximately equitable laws of distribution; that they should distribute what of wages as a whole, they receive for what labor as a whole, they could sell; that they should accord to each man as much compensation as to any other man, according to his needs and according to the time expended in labor. But irrespective of the higher motive for the establishment of an equitable distribution, the self-interest of the component units has enforced its adoption. A better care for one's self and one's dependents is the inciting motive of all industrial combinations, and the promoting organizers are compelled to establish and maintain the principle of justice among members or endanger the permanence of the combinations.

Thus, the self-interest of employers, constituting the primary and inciting force of industrial evolution, drives employes also, into immense combinations; and, as the interior binding power of these combinations, without which they could not be organized or maintained, the principle of co-operative distribution is established and vastly extended.

It is next in order to know to what extent the combination of laborers has advanced. Laborers have combined, first, for social and benevolent and educational purposes; second, to secure from employers ample wages; third, to shorten the hours of labor.

The combinations here considered, are made to secure an equitable portion of the results of production within the present competitive wage system; an object which, if not fully, is proximately attainable. Combinations of laborers for the purpose of undertaking productive enterprises on their own account are not here considered. Such projects belong to another and more advanced stage of industrial evolution. Independent co-operative organizations embody the sporadic attempts of those concerned, to escape the cruel and disastrous influences of competition. They constitute the germs of that system of industrial life which is yet to come, and toward which the present industrial contention and tempest is carrying all nations.

These combinations of laborers purpose only to soften the asperities and modify the wrongs imposed upon employes by employers, under the prevailing maxims and methods of private enterprise.

Reference to them will be brief. Their existence and activity following and keeping relative pace with the organization of employers, constitutes a necessary part of that evolution which is to bring industrial affairs into perfect form. As the world will yet acknowledge itself vastly indebted, for its sometime condition, to the early organization of capitalists, so it will yet recognize in these later labor organizations an equally important an indispensable service.

The independent organization of labor has followed the disappearance of chattel slavery and has everywhere been stimulated and advanced by the alleged exactions of the employing class. In the Northern States of America where chattel slavery did not exist, organization commenced early; in the Southern States the combination of laborers, chattel slavery having been abolished but recently, has but just begun.

We confine ourselves to the organizations of America*. What is being done there is being done elsewhere. Tailors were the first to establish a trades-union in the year 1806. Hatters organized in 1819, and shipwrights and calkers between 1825 and 1850. Local unions of printers are traced back to 1831.

Between 1825 and 1851 was a period of especial interest, wherein labor organization was active. While its purpose was multiform, it was incited by a demand for higher wages and the establishment of the *ten-hour* labor day.

Ship carpenters and calkers were the first to commence agitation for the ten-hour work day at New York, and it spread along the Atlantic coast wherever ships were being built. The ten-hour movement affected also other trades and other localities.

The leaders of the movement saw the necessity of more complete organization. Efforts to this end culminated in a meeting at Boston January 8, 1834. A general trades union of the mechanics of Boston and vicinity consisting of sixteen local unions was formed and a constitution was adopted the first Tuesday in March of that year.

This was the first organization of the kind and may be regarded as the parent trade assembly, or central trade and labor union. The movement was attended by strikes in New York and other places. A general strike for ten hours was begun at Philadelphia in the latter part of May, 1835. Strikes were the battles of the war for a better subsistence, and were rendered all the more violent and obstinate by action of the merchants and ship-owners of Boston and other places, who combined to oppose the purposes of their employes, and break down their organizations. They denied the right of workingmen to organize, to regulate the hours and price of labor, and to coerce individuals of their craft into united action. In all these matters, the merchants, in that section of the country at least, were overruled by the Supreme Court of Massachusetts, through Chief Justice Shaw.

On the other hand, the strikes were not successful. The battles were drawn, but the labor forces, better organized, remained in the field and gathered in larger numbers. In the courts they were usually successful, and in the political field, joining hands with farmers and other laborers, they gained important advantages. Though

*To "The Labor Movement," by Geo. E. McNeill, we are indebted for facts.

often overthrown in their strikes, the battle for ten hours was not yielded.

In 1840 President Van Buren proclaimed that "all public establishments will hereafter be regulated, as to working hours, by the ten-hour system." Under various auspices and with varied success the contention was maintained. At length, about the year 1844, ten hours became generally recognized as a work day for the building trades. Throughout other parts of the country the ten-hour system was actively promoted, not only by laborers, but by humanitarians.

But we cannot trace the details* of organization. About the year 1860 the ten-hour system, having been largely adopted, the agitation for eight hours was commenced. Vast numbers of surplus employes had gathered in America through immigration and importation of laborers, and poverty was rapidly increasing. Machinery, also, had become a new and powerful factor, operating toward the displacement of employes. Except a radical change in the system of production, no means of giving these pauperized laborers employment was discoverable, except through shorter hours. Resistance to diminished, sometimes demand for higher wages, characterized this new crusade on the part of laborers for the eight hour day. On the other hand, it was firmly held by the capitalistic combinations, that wages must go lower, and to that end, a large surplus must be forced to remain unemployed to take the place of those out on strike.

Whatever the merits of these respective arguments, both parties entered the conflict for or against the eight hour day with vigor. For twenty-five years have the opposing forces been engaged; and though Congress and several of the States have passed laws enforcing the demand of employes on public works, employers, continually reinforced by new and effective labor-saving machinery, by importations of contract labor from Europe and Asia, and by drafts on vast bodies of voluntary immigrants, have measurably maintained their position. On the other hand some of the trade unions, noticeably those connected with building, have gained a well-earned victory. In the meantime the drift of public sentiment, especially the humanitarian portion of it, have favored the movement of employes for shorter hours, and at present, among all classes, ten hours is regarded as a work day too long for ordinary conditions. The entire drift of public sentiment is towards shorter hours, employment for all and few or no paupers.

Trade unions have always been impatient of socialism and community movement, but have adhered to their demand for shorter hours and greater wages, knowing that an equitable distribution of wealth may be secured through wage payments. Around these pur-

*The reader is referred to "The Labor Movement," by McNeil.

poses labor combinations have massed their forces, and organization has rapidly advanced; but whether operating on the lines of existing modes and industrial conditions, or striking out for the independent or co-operative method, they have been met and opposed by the self-interest of employers.

During and after the war of the rebellion, prices advanced rapidly, and to secure a corresponding advance in wages, organization received a new impetus.

After disbanding the national armies in 1886, a grand revival occurred. Isolated unions and associations saw more and more the necessity of amalgamation. From thirty to forty national and international trades-unions and amalgamated societies were brought into existence, some of these numbering tens of thousands of men. These national combinations comprised some of the following occupations: Barbers, hair-dressers, hostlers, clerks, commercial travelers, railroad employes, telegraphers, packers, sailors, blacksmiths, blind, door and sash makers, bookbinders, boot and shoe makers, brass founders, boiler makers, brush makers, cabinet makers, carpenters and joiners, carpet workers, cigar makers, clock and watch makers, coopers, cotton-mill operatives, flax dressers, gilders, glass work operatives, garment cutters, gold and silversmiths and jewelers, harness and saddle makers, hat and cap makers, iron and steel workers, leather curriers, dressers, finishers and tanners, machinists, marble and stone cutters, masons, miners, nail makers, organ makers, painters, paper hangers, piano-forte makers, plasterers, plumbers, printers, pump makers, quarrymen, carpenters, calkers and riggers, silk-mill operatives, tailors, trunk makers, upholsters and woolen-mill operatives.

For years they had met the ordinary vicessitudes of a long and obstinate war; failure and success, defeat and victory; but on the whole, in the teeth of fearful odds, their opponents entrenched in commanding positions—in the soil, raw materials, machinery, money, intelligence and organization—they had made steady advances. Victory renewed their hopes; defeat prompted to more thorough and effective combinations. They had little to lose and much to gain, and through seasons of sunshine and darker periods of shadow, organization and effort advanced, and as they advanced, wisdom increased, and the prospects of industrial freedom grew brighter.

It was found, at last and by many, that an open struggle placed them at a disadvantage, which rendered violent and destructive strikes the more imperative. Their purposes, plans of campaign and numbers were known to their opponents. Their power was easily gauged; resistance was more violent and determined, the subtle agencies of diplomacy and arbitration, of argument and appeal, found but a limited sphere of activity.

At this important juncture the Knights of Labor came into exist-

ence, introducing secrecy, strategy, suasion and arbitration, and reserving the strike and boycott as last resorts. Local Assembly, No. 1, was organized in Philadelphia, December 18, 1869, within sound of the old "Liberty Bell," and from it went forth a new declaration of war against the monarchal system of labor and the proclamation of a new era of liberty, peace and plenty.

They adopted a ritual, and the name of the order was kept secret for many months. After the organization of some twenty local assemblies, principally in Pennsylvania, delegates were sent to organ- a District Assembly. It was accomplished December 25, 1873.

Local Assemblies, and their respective memberships, under the protection of secrecy, increased so rapidly that before the end of 1877, fifteen District Assemblies had been formed. As before the organization of District Assemblies, Local Assembly, No. 1, had been considered as the head of the Order, so, District Assembly, No. 1, was for a time, and by common assent, considered as the central authority.

In 1877, the officers of District Assembly, No. 1, "issued a call for a convention of delegates from the several District Assemblies." The convention was held at Reading, Pennsylvania, January 1, 1878, and a General Assembly of the Order was formed. Uriah S. Stephens, to whom has been ascribed the honor of originating the Order, was elected its first Grand Master Workman.

The growth of the Knights of Labor has been both steady and rapid. It embraces some entire callings, and a million of men. It proposes to secure desired results of shorter hours and better wages by suasion, conciliation and arbitration; and to introduce the strike and boycott only as extreme, final and indispensible measures. In the meantime it inculcates the principles of co-operation, with the ultimate hope and intention to overthrow the present wage condition and establish in its place an industrial system free from perpetual antagonisms.

Recognizing the existence of industrial war for the results of production, and that physical violence is absolutely interdicted by civil law, it has seized the other and only weapon of warfare—strategy—and clothed its plans and operations with a discreet and necessary secrecy. The local assemblies of the Knights of Labor, counted by the thousands, furnish the wage workers of the continent with opportunities of association and advancement never before enjoyed.

And yet with all the progress and success which has characterized the combination of labor, it is easy to see that it is yet in the formative stage. The Federated Trades, with the advantages of priority wield a powerful influence, The Knights of Labor appear on the field with advanced methods and advantages which cannot be

ignored. Both cover much the same ground, and necessarily tend in their exercise of prerogative and power, to conflict.

It is part of the strategy of employers to promote by all means this division of forces among employes. But the time is near when the wage earners of American will select the elements of power embodied in these two forms of organization, unite in one Grand Army of Labor and rally around a single flag. When such a union is achieved the results of the industrial war will turn on a single point. Capitalists will struggle to *maintain without sustaining* large detachments of surplus and unemployed labor. Laborers will strain every nerve to bring every possible employee into their combinations.

Whichever party is able and willing to draw to themselves and care for surplus and unemployed laborers will win the day. Capitalists may be able but not willing; laborers may be willing but not able.

Will it devolve on the third party—the party of consumers—to rescue the unemployed and poverty-stricken from that miserable estate which makes them unwillingly the buttress of the employer and the millstone of the employee?

But we must close this section by calling attention to its purpose.

We have observed the growth of labor combinations; the marshalling of employed hosts, intent on regaining, in the form of wages, their birthright in the natural sources of wealth, and the social appliances of production, and in asserting their admitted rights to the results of their labor; birthright and rights, unjustly withheld from them by capitalists, through customs, constitutions and laws. They do not ask that lands, raw material, provisions, machinery or money, severally or singly, undergo an equitable redistribution to them; but they ask that their rightful interest in these values be assigned to them in wages. They propose no innovations; but justice, if possible, under present conditions, they demand; and for that they have organized, for that they will contend.

But it is of most moment to this demonstration that the Supreme Intelligence working through the self-interest concerned in these imposing combinations, in conflict with other powerful combinations, is extending the growth and influence of an equitable co-operative distribution. When men are bound together for a given purpose, a just treatment of each other, an equitable distribution of what is gained by the combination becomes imperative. As regards the distribution of wages insisted on and assented to by all labor combinations, the principle of equity, if not of equality, is practically enforced between the different units of each combination, as the same principle is enforced between the units of capitalistic combinations. Disregarding the differences as to capacity and power between different men, in the same calling, the wages of one man—

other things being equal—is made the same as the wages of every other man. This rule is proximately enforced in every one of the thousands of local, district and national combinations now in existence, and must of necessity be enforced in other and vaster combinations yet to be made. While it is competition of divided factors which, from without, crowds laborers together—competition of employers, employes or consumers—it is the ethical satisfaction of an equitable distribution, that binds them, within, to harmonious l fe and orderly action. While it is the expressed purpose of labor combinations to wrest from those who have inconsiderately vested it in themselves, a fair proportion of the world's wealth, and distribute it equitably among all members, it is the unconscious mission of these combinations to play an important role in the establishment of universal justice in the economic domain.

COMBINATIONS OF CONSUMERS.

CHAPTER VII. SECTION III.

In the two sections just preceeding, the combinations of producers embracing employers or capitalists on one hand, and employes or laborers on the other, each endeavoring to escape the losses of competition between individuals and corporations, but continually strengthening competition between larger combinations, and incidentally inaugurating, promoting and extending—within their respective combinations, co-operative distribution—have been portrayed.

We now proceed to consider another factor, more numerous and in one direction more powerful than the productive forces combined; a factor which, driven to activity by self-interest—the desire of enjoyment and avoidance of pain—is exercising a notable influence in the direction of co-operative distribution. I refer to consumers.

It may be inquired wherein the interests of consumers differ from that of producers. Their interests may seem to be, but are not, identical. If every producer consumed what he produced, and produced only what he consumed, no antagonism would exist. Such a state of affairs would involve an industrial independence, compatible alone with existence of the most primitive or the most perfect forms of industrial life; the former has long been lost sight of and abandoned, and to the latter, we have not yet attained. An explanation of the peculiarity and extent of the antagonism between producers and consumers is in order.

Industry originated in the unit and its advancement from the moment when each person isolatedly produced and consumed alone what he produced has been one of progressive aggregation and increasing inter-dependence. At present the productive forces do not constitute more than one-third of the population, but consumers comprise the entire people. While large numbers escape productive labor, the real productive forces are still further broken up into small detachments, each of whose interests and operations centre around a single product. On the other hand, consumers of a single product embrace the entire community or nation. This statement is theoretically true with all products, and practically true with many. While those who produce matches constitute numerically but an insignificant portion of the population, the consumers of matches comprise the entire nation. The producers of cotton are confined to a portion of four or five States, but the consumers of cotton fill every city, county and State. Sugar is produced by a small detachment of the national industrial force, but not a man, woman or child can be excluded from

among its consumers. The production of oranges is confined, not only to a few localities, but to a few persons; but all classes of the population, at one time or another, determined by activity of want and ease of purchasing power, consume oranges. The producers of lead pencils are scarcely recognized in a population of 60,000,000, but there is no one of a suitable age who does not use pencils. Not over 500,000 persons are engaged in railroad transportation in its manifold details, and yet not a person lives, in countries where railroads have become a necessity, who does not directly or indirectly patronize them; or, in economic phase, consume the services rendered by them.

A small detachment of men engage in the production of fuel, light and water; but entire communities are consumers of the products and services rendered by the producers of these necessities of life. As regards all forms of food, clothing, furniture, places of shelter, the same proposition holds good.

In a single sentence; as producers, the nation is divided into many small detachments, each detachment gathered about a single industry and separated into two general divisions, laborers and capitalists: as consumers, the entire population is a unit inspired by a single purpose—abundance of commodity for the least expenditure of effort.

It has become the function of each one of these detachments, having been permitted by the nation—consumers—to appropriate the natural sources of a particular commodity and the social means of its production, to supply the entire community therewith; but through the supply and under its cover it assumes a right to exact and draw from consumers, regardless of equity, such sums of money, as, by means of the industrial power at command, it can extract. It happens thus, that the country is dotted over by the bustling camps of these isolated and organized detachments of the productive army —competition among themselves having been tabooed—ready to do duty in supply of the wants of consumers, but even more ready —in fact straining every nerve—to dispossess consumers of their purchasing power They embody and enforce the principle of robbery, freed from physical violence, on the industrial plane.

On the other hand, consumers maintain a broad, homogeneous, nationalized solidarity, incessantly defending themselves from the persistent exactions of isolated detachments of producers.

The struggle between them involves the *price* of commodities; producers demanding *high prices*, consumers contending for *low prices*.

But why this conflict? Have not those who produce, the exclusive right to determine price? What, if any ground of right or power exists, from which consumers may demand a voice in the

establishment of price? Consumers possess, in the important premise, both fundamental right and indisputable might.

In that, as the nation, they possess a sovereign control over the sources of wealth and means of production, and in the exercise of that control have conceded to producers that indispensible portion of the common heritage required by the latter for effective production, it is but right that consumers should have, in the interests of all, a voice in the establishment of prices. Consumers, as a body, owe it to all consumers—the sources of wealth and means of production, having been assigned to different detachments of producers—that said producers shall use them to the interests of all concerned. Consumers are, in an unmistakable sense, silent and interested partners with producers, and so long as the latter carry on business to the best interests of all concerned, consumers need not interfere. But producers have misunderstood their relations to society, which involve a trust, and consumers have found it necessary to insist upon their rights as regards the establishment of prices.

Consumers have not only the right to assist in determintng price, but they possess the power; a power, however, which they exercise usually, with reluctance. The boycott, or a refusal to consume at any price is a weapon of no mean significance. The every-day refusal to buy and pay a given price for a given product is too common to be alluded to. It is a personal and social privilege never denied; but it tends to wither the life of any industry. It becomes the boycott only when consumers combine and enter into an expressed or tacit agreement to consume no more the goods produced by a given industry, or one of the firms or corporations engaged thereon. It is a powerful pursuader and when entered upon by all consumers must necessarily paralyze the industry. But while it punishes the producer for his exactions—shown in low wages or high prices—it brings a cruel and needless sacrifice to the consumer. It is destructive of common interests to check production, and folly to submit to the exactions of a small productive detachment of community. A final and effective means, in the hands of consumers, of eliminating the oppressive demands of producers, is to relieve them of the responsibilities and deprive them of the advantages of production which they incline constantly to abuse. The power so to do is involved in the conceded power of any nation to amend its constitution and alter its laws. Consumers—who constitute the nation—can limit or annul privileges and rights previously granted; can purchase, condemn, and in aggravated cases, confiscate properties claimed by individuals; and having recovered what they had previously dispensed, may, through that instrument of consumers, government, continue production and dispose distribution according to the dictates of equity. The active productive force, mental and manual, may find

employment as before, and adequate compensation from government for their labor; at the same time they would be deprived of their power of exaction.

In this conflict between producers and consumers for high prices on one side and low prices on the other, the former stand upon their legal rights and the latter upon the higher law of justice and good will to—all, not a few—men; upon their natural and conceded rights to amend constitutions and repeal laws.

Since the disappearance of chattel slavery, since production has come to be prosecuted for purposes of accumulation—for profit rather than use—it has assumed herculean proportions.

Up to within a late period a single circumstance: viz., competition among capitalists, has contributed to limit the exactions of producers upon consumers; but the declination of competition among capitalists and the rapid growth of combination is fast removing that safeguard of consumers. Let us suppose, yet further, that producers of a given commodity—both capitalists and laborers—combine, as they are not unlikely to do in the near future, and absorb, through purchase, the sources of a given commodity and the appliances for its production, the possibility of competition and its value to consumers at once disappears. In such a status, the nation of consumers are at the absolute mercy of a small detachment of enterprising producers as regards that commodity; a situation from which they can extricate themselves only by the boycott, or the more radical measue of destroying the power of producers by acquiring their materials and plant.

But price depends as yet, principally on combinations of capitalists, irrespective of their association with laborers. They, increasingly, refuse to compete; combination of interests is rapidly advancing, and though consumers let in foreign competition by repeal of tariff laws, producers will extend their combinations to other nations, as capitalists and laborers have already attempted to do. Reliance on the competitive instincts of producers will become increasingly more futile.

Consumers already feel the withering power of various detachments of producers. One industry after another is taken in hand either by capitalists engaged in actual production, or by outside combinations which corner the bulk of marketable stock, and consumers are continually pressed to close quarters by exactions from one quarter or another. Some of these raids on the purchasing power of consumers are of national and inter-national significance. One pool has for months shaken the wheat market of the world, advancing the price of wheat products to unnatural figures, and drawing directly or indirectly from the purchasing power of every family in Christendom. It matters not that the pool prematurely failed;

it will gather again under other auspices, and with stronger forces unless prevented by the political and civil action of consumers. When it is not wheat, it is pork, or fuel, or hops, or coal oil, or rubber, or sugar; the segregated detachments of the great productive force consecutively plan and execute constant raids on, and make wild havoc with the body of consumers. Once in a few years—the years 1837, 1847, 1857, (the war of the rebellion broke the continuity for one decade,) 1877, mark these movements with sufficient accuracy—these combinations conspire, operate in unison and advance prices along the entire line of their fortified positions. These united advances have been prolonged for two or three years, and are referred to as periods of "good times," and have been followed by seasons of less activity which are charitably denominated as "hard times"; the real fact being that they have been "good times" to those alone who have succeeded in turning their goods into money at high prices, and "hard times" to those who have parted with their money for property at high prices.

Against these predatory raids of the buccaneers of production, consumers have been driven also to combine; and, operating through municipal corporations, force the government to relieve them from the exacting burdens placed upon them by the productive hosts. Appeal to government is apt and proper because consumers constitute the nation, and government is the constant instrument of the national will. When the nation seeks defense from internal or external assaults of domestic or foreign despotism, whether they be of a military, political or industrial nature, it is meet that the nation empower government, to interfere in any manner or to any extent necessary to attain the desired result. Consequently, it has been made the duty of Representatives of the people, in municipal councils, in legislatures, in congresses and in parliaments to interpose stringent laws against the permanent exactions and desultory levies made on consumers.

Indeed, the platforms of political parties and the details of political and civil life are, of late, interspersed and tinged with the conflict of consumers against the oppressive exactions of producers.

Water, gas, telegraph, telephone, transportation and other companies or persons, whose functions are the performance of a public service or supply of a public need, are incessantly pressed by the general body of consumers, through political combinations, for lower prices. In the progressive decline of competition among corporations and individuals, appeal of consumers to government is the only effective means of substantial relief; and it is probable these appeals of consumers for an equitable distribution, will become more imperative, frequent and permanent.

The influence of consumers upon political and civil action is in

the main defensive. Producers have not only grounded themselves in the natural sources of wealth and the appliances of production, but antecedently and concurrently have dictated political and civil action to their own especial advantage. Producers of gold and silver have, until recently, maintained control of financial legislation, demanding that the value they embody shall constitute the exclusive measure and basis of national circulation. Some producers have appealed successfully to government for subsidial aid, while most of the productive detachments have demanded protection from foreign competition, and in the main have secured the requisite legislation. A protective tariff is maintained purely in the interests of producers; it involves, at the same time, the promotion and establishment of national industries and maintenance of high prices. On the other hand, free trade legislation is in the interests of consumers; involves low prices of commodities and neglects the establishment of national industries. Protectionists and free traders are at unnecessary loggerheads, however, because the factor of *national growth* is not taken into their reasonings, nor does it appear in their conclusions. Laws that support protection and free trade, respectively, mark two successive stages of industrial evolution; the former being primary, the latter secondary. The necessity of protection in infancy and youth is undoubted; but the necessity decreases as one moves on to manhood, and the law of manhood development outlines the law of national development and modifiedly that of industrial evolution. The organization of industry—chattel slavery being abolished—begins with the organization of capitalism or industrial leadership; the establishment of the relation of employer and employee. The industrial undertakings of capitalists, are of paramount importance to a young and growing nation, and laws to support and protect them are, in the process of industrial evolution, at first as indispensible, as are subsequent laws to protect and support the army of employes and the vast body of consumers. At any cost to consumers, the development of national—home—industry is imperative; and to that end it has transpired, that producers, in protecting infant industries, have up to this time, usually carried the vote and dictated the tariff legislation of the country in maintenance of high prices. But a time is coming for a turn of the tide to low prices and increased purchasing power.

The growth of the human body commences in the brain and moves out and down to other organs and structures. Religious, political, social and industrial growth, has followed, and must continue to follow the same general course. The protective legislation of America in support of a healthy and permanent national growth of the industries, having nurtured the brain of the industrial organism—cap-

italism—* must pass on to the bodily organs and extremities. The interests of laborers and consumers can no longer be set aside with impunity. The brain of the industrial organism is already too fully congested and fat to remain active and virtuous; and employes—consumers—especially unemployed consumers—approach a condition of inanition which bodes no good to national permanence. Industrial leaders—capitalists—have had their necessary and somewhat exclusive day at the common protoplasm, and must quietly and humanely yield to the inevitable, or be taught by the superior numbers, growing intelligence and crowding wants of employes, and consumers, that the later development of other economic elements, is likewise of *indispensible* importance.

The condition of the United States Treasury, shows that the policy of protection, has, in the interest of producers, been amply maintained. The surplus there gathered is gathered at the exclusive expense and to the economic detriment of consumers. These vast aggregations, excluding the influence of internal taxation, show by how much less the consumers of the country could have supplied their wants, and how much the establishment of national industry has cost. Though the growth of national industry, is worth to national development what it has cost, a change in the tide of growth is imperative.

Free traders and the demands of their constituent consumers have hitherto been overborne by the prior necessities of industrial evolution ; but, if not through free trade, in some way the demands they have made for low prices will yet be recognized. They should be satisfied by legislation which shall compel employers to distribute employment to all — through short hours—and yield to employes, —through wages—from the aggregate national purchasing power held by employing capitalists* enough to absorb, at home, the entire annual products of the land. It is now time that the national industries, which have become established at the expense of consumers, should begin to repay in full to consumers all items of outlay and recoup a half century of sacrifice. For various and ample reasons continued protection of producers may remain a salutary public policy ; it may be best to preserve the industrial autonomy of America. But the desirable results of free trade—lower prices and steady or increased purchasing power—are attainable most effectively by domestic legislation; which, by reducing the profits of capitalists to the measure of an average compensation, will distribute purchasing power among the body of producers, and by reducing the hours of labor gives employment to all able and willing to labor, and money enough to supply their reasonable wants.

*Caput, capitalis.

*See concerning the source of purchasing power—contents.

It is probable the sincere free-trader, the man who believes in and advocates free trade, for the ease of circumstance which it will bring to all citizens, will find the key to his future humanitarian efforts in the new lines of legislation about to be opened up under the auspices of the so-called labor politics. The demands of the Knights of Labor and Federated Trades, higher wages and shorter hours present in a more practical manner—a manner consistent also with industrial growth and permanence of national greatness and independence—the real demands of the advocates of free trade. If these demands be supported by public sentiment and law and proposed results are realized, the patriotism of free trade will have been realized; and except, with mere theoreticians, free trade, in politics or economies, will cease to be discussed. In this connection, in the increased demands and combinations of consumers, in the fact that laborers demands for higher wages and shorter hours, to be drawn from capitalists, tally with the demands of consumers for lower prices—higher wages to laborers is the same—in the decadence of urgency, by public men for free trade, and increased activity among the hosts of laborers for lower prices to consumers—higher wages is the same—is to be recognized the commencement of a new and powerful crusade in the interests of consumers; a crusade which will promote the principle of free trade in another form. The consumers of America are now beginning to say to the producers—as an orchardist, personifying his apple tree might say to it; 'I have spent money, labor and time on you for years without return, and now I want fruit; "we, the consumers of the country, having given you access to the national domain, encouraged your enterprises by subsidies and protected them by tariff, having sacrificed ourselves and paid high prices for your goods that you might establish the industries of the nation for the national good, now demand the benefits of our gifts and sacrifices."

The movement of consumers, for the most part, parallels the movement of employes; especially, first, as employes constitute the bulk of those consumers who also produce; paramountly, second, as they have a common grievance to be settled, with combinations of industrial leaders—capitalists—whose leadership has been narrowed and prostituted to private ends, and whose undertakings, based upon the common heritage and supported by common concessions and sacrifices, have been regarded solely as their own. Laborers and consumers have an inalienable right to the common heritage—to the natural sources of wealth and social appliances of production, to the immense values which have been produced by powers—God and society—compared with whose efficiency, the power of the individual is as a grain of sand in a desert; an inalienable right also to those values which are the result of their own

labor. These values constituting the nation's purchasing power, through the origin and successive stages of industrial evolution, have —perhaps necessarily at first—been held back from consumers and employes by industrial leaders; held back from employes through payment of low wages for long hours; held back from consumers in the enforced demand of high prices. Recovery of these values, or reinstatement in their use and enjoyment, is the unseen cordon which is likely to bind employes and consumers together in common political action; action that will tend to draw full employment for all laborers from those who hold back the only means of employment, and ample purchasing power from those who have massed and retain the nation's purchasing power about themselves.

Low prices demanded by consumers and high wages demanded by employes, both drawing from the accumulated resources of capitalists, place them both in a common category, with a common purpose, and make them, within the nation and without breaking the tariff defense against industrial inroads of other nations, the executors of demand for low prices which free traders have continued to urge. Free trade involves the labor of "long hauls" across ocean and continent; a waste of labor which the principles of true economy do not sustain. The better national policy is to make each nation on the same lines of latitude, self-sustaining. What one nation can produce, another in a similar climate can produce. The German Empire in some of its recent exclusive acts is emphasizing this policy of national independence. If "long hauls" there must be, they should be on lines of longitude; from the tropics to the poles, and from the frigid to the torrid zone. As civilization advances, a true economy of power as of material, is likely to mark its progress, and with the adoption of just principles of exchange, free trade and useless toting of products from one country to another, will give place to freer and more extensive travel.

Let us return from this general view to the specific combinations of consumers and their influence upon the ultimate establishment of co-operative distribution.

Consumers, imitating the policy observed by combinations of capitalists and laborers, have confined their operations to the maxim of "first things first." Though they hold the power through the ballot, to overturn existing institutions, and at once introduce a better order of industry, for various reasons they have confined their operations to modifying the asperities of the existing industrial mechanism; they have forced government, through which they must necessarily operate, to inspect the quality and quantity of commodities and to *limit* prices demanded of consumers. Corporations, companies and persons engaged in performance of public uses, authorized by public franchises and aided by public funds are especially amenable to

the restrictive policy hitherto adopted by consumers. Political platforms are padded with their demands. Laws are enacted by municipal councils, legislatures, congresses and parliaments, the prime intent of which is to suppress the exactions, limit demands and reduce prices. Prices of gas, rates of water, sums demanded for carying passengers and freights, fares of city railway and hack companies, transmission of telegraphic and telephonic messages, elevator charges for wheat storage, cost of public school books, tolls upon private roads and expenditures for all public work and public services, have each and all passed under the demand of consumers, expressed through public sentiment, political action and statute law, for low prices; and these demands, deemed legal and reasonable, have been supported and enforced by courts of final jurisdiction; state and nation.

What consumers have done toward the reduction of prices, especially as capitalists contrive to combine for higher prices and large profits they will continue to do; they will continue, in furtherance of that self-interest which stimulates production and consumption, to press for lower prices, even to a line *below cost;* an extreme, which of necessity prostrates production. Unreasonable demands of consumers may sometimes surpass those of producers; but, like some detachments of producers, prompted by the sentiment that *nothing* is gained until *all* is gained, and forced by the law of self-preservation and self-interest, they may have felt bound, in complete self-defence, to pursue and push oppressive producers to the verge of destruction.

However, in this incessant contention against the cohorts of production, as a necessary motive to their organization, consumers are driven to extend, among themselves, the operation of equitable distribution. As they co-operate, in vast armies, to secure lower prices, their unwritten intention is to supply every citizen with commodities and services, on conditions similar to the best conditions enjoyed by any citizen. If they secure lower prices in water, gas, transportation, books, tuitions and services, each citizen, by common co-operative consent among the combined consumers, is entitled to as low rates as the most favored citizen; each labors and distributes for all, and all for each.

Here let us pause. Our investigations concerning the nature and results of combination, first, among capitalists or employers, second, among laborers or employes, and third, among consumers, who constitute the entire people, convince us that these combinations, organized primarily for competitive purposes, and to subserve the ends of self-interest, have become the nurseries of co-operative distribution. While they contend with all opposing interests exterior to them, within the periphery of their operations

they amicably adjust and equitably distribute the results of these efforts. Thus in the midst of the fierce competition between combined interests, struggling for the results of co-operative *production*, the principle of co-operative *distribution* grows apace and becomes rapidly practicalized and permanently realized.

THE OUTCOME.

PROBABILITIES AND POSSIBILITIES.

CHAPTER VIII, SECTION I.

In the last three sections has been outlined the growth and purposes of the two economic factors—producers, comprising capitalists and laborers on one hand, and consumers, comprising the nation on the other.

We have noted, while they have been driven together by self-interest, that they might contend more powerfully for the results of production, they have been compelled to nourish and extend within their organizations the very principle which it has been the purpose of their combinations to shun and destroy; viz.; equitable or co-operative distribution; that capitalists, following the natural law of evolution have taken the lead in these movements; that laborers have been driven by capitalistic exactions and oppressions to combine later, and that consumers have endeavored to defend themselves against the exaction of high prices, by political combination through civil administration.

It will be understood that these combinations have come to stay; or if temporarily broken or shattered, by internal faction or extreme conflict, that as they bear in their unconscious bosoms the living principle of industrial regeneration—co-operative distribution—they will come again, in greater power, greater numbers and better organized; that, until they fully recognize the *higher law* of their origin and career, and adapt themselves to its madates, the industrial conflicts which they wage, will intensify and extend.

For the purposes of stronger attack and more efficient defense these combinations, in the natural order of industrial evolution will continue to grow and increase, until every employing capitalist connected with a given industry has pooled with every other employer of the same industry, and until every employed laborer connected with a given industry is gathered into the folds of the corresponding combination of laborers.

The two camps, then fully armed and equipped—capitalists, few in number, but buttressed in the natural sources of wealth and social appliances of production, laborers, by the thousands, with the indespensible factor of production which they embody and control—will stand over against each other, and fight, cripple and destroy; until they reflect and realize that each holds points of vantage indespensible to the prosperity of the other, and that without a union of

these advantages, both capitalist and laborer must fail of achievement.

How long these conflicts may continue before they bring the wisdom and spirit of concession and humanity, which, sooner or later, must and will appear, it is beyond the ken of man to predict. Too few of the producers of wealth, capitalists and laborers, understand the origin and development of wealth. Economic science has permitted the capitalist to believe that he rightfully possesses exclusive advantages in the soil, raw material and the means of production and exchange, and teaches the laborer that wealth is produced alone by his labor. At the same time the average capitalist falsely believes, and will tell you, that his success is due to his own efforts alone; that other men, by the exercise of the same personal ability, may achieve the same results.

Neither of these propositions can stand the test of equal rights on one hand, or reason on the other. Nevertheless they fill the industrial mind, determine the industrial action of both capitalist and laborer and exclude a rational consideration of principles and facts which should bring them at once, on common ground. But both capitalist and laborer can and do see something of the failure and destruction which their conflicts bring upon each other and the nation. They will as these conflicts enlarge, see more; and as they see and reflect, they will be constrained, in furtherance of self-interest, to take such action as will mass them into larger and more comprehensive combinations, embracing in their membership *both capitalist and laborer*.

CAPITALIST AND LABORER COMBINED.

The union of capitalist and laborer in production is not a new thought; but aside from the impulse which has prompted experimental enterprise, involving the participation of laborers in the profits secured by joint action, aside from the limited but satisfactory results—business and humanitarian—attained by such experiments,* a resistless power—the power of self-interest—is driving in an orderly manner the produc ive forces—employer and employe—to a comprehensive and practical union. To fight each other is becoming destructive and expensive. No one can predict the progressive details of such a union; but seeing the gathering forces he knows there must be fierce, desperate conflicts; and knowing that capitalists and laborers are parts of one great army, that they are already engaged, throughout the civilized world, in co-operative production, which is disturbed only by conflicts concerning distribution. knowing that after each battle, humanity, reason and justice obtain a

*See "The Labor Movement," McMill, page 524 and following.

new momentum and establish material results and better and more harmonious relations between combatants, the ultimate result, through whatever vicissitudes, reverses and advantages, defeats and victories, it may come, can not be doubtful. We may well regret the ignorance and selfishness which incites these industrial conflicts; but as ignorance and selfishness are displaced by intelligence and goodwill only through struggle and suffering, it is useless to deprecate them. We can look with ardent hope for the good which must follow.

A notable event in this connection has just transpired. On the opening of building operations in Chicago for the season of 1887, one of these conflicts between employers and employes was precipitated. It bid fair to disturb building operations throughout the Middle and Western States. But after much blustering and many threats on both sides, reason and mutual consideration gained command and arranged for discussion and arbitration. Thereby one of the biggest strikes and lockouts that ever occurred in the United States was brought to a satisfactory end, and a permanent combination made between the capitalists and laborers concerned.

A Committee of Arbitration, five for each party, and an umpire having no personal interest in either—Judge M. F. Tuley—were appointed. The decision which was reached after several days of inquiry and discussion, and was unanimously adopted, is a remarkable document. The terms of settlement and combination are shown in the following extract therefrom :

"We recognized the fact that the two organizations, between which there should be bonds of good feeling, were carrying on bitter war with each other, by which many thousands of men were deprived of work, much suffering and privation brought upon innocent parties, and immense pecuniary loss daily sustained; and we determined, if possible, to reconcile the differences and place the relations of the two organizations upon a basis by which strikes, lockouts and other like disturbances might in future be avoided.

"We found that the main cause of trouble was in the separate organizations endeavoring to lay down arbitrary rules for the regulution of matters which were of joint interest and concern, and which should be regulated only by both organizations by some species of joint action. We therefore determined upon and submit herewith a project for the institution of a joint standing committee for that purpose. The article providing for such a standing committee, elected annually in January, and defining its powers and duties, shall be incorporated into the eonstitution of each association.

"This joint committee will be constituted of an arbitration committee of five members from each organization (the president of each being one of the five) and an umpire who is neither a working mechanic nor an employer of mechanics, to be chosen by the two committees. This joint committee is given power to hear and determine all grievances of the members of one organization against members of the other; to determine and fix all working rules covering employer and employes, such as:

"1. Minimum rate of wages per hour.

"2. Number of hours of work per day.

"3. Uniform pay day.

"4. Time of starting and quitting work.

"6. Rate paid for night and Sunday work, and questions of like nature.

"And it is given power to determine what number of apprentices shall be enrolled, so as to afford all boys desiring to learn the trade an opportunity to do so, without overcrowding.

"The officer known as the walking delegate is to be known hereafter as the collector, and all the objectionable duties and powers of the office have been done away with. The steward will remaiarn guardian of the men's interests and mediator for them; his arbitrary powers are taken away. The interests of the members of the union are protected by the foreman being required to be a member of the union, but he is restored to his position as the employe of the contractor, and while so employed is not subject to the rules of the union. The eight-hour day has been conceded to the workmen. It is in accordance with the State law, and we believe in accord with the spirit and progress of the age.

"The question of pay-day, whether Saturday or Tuesday, was not considered a question of vital importance, but it being one of the questions left to the umpire to decide, he names Tuesday as the regular pay-day until the same shall, if desired hereafter, be changed by the joint committee on arbitration.

"We have settled the differences between the two organizations. While every inch of the ground has been fought over, we in good faith determined to do everything that was fair, just and honorable to accomplish our object. We feel we have succeeded without compromising the honor, the rights or the dignity of either organization, and hope that we have succeeded in establishing a basis upon which all future trouble may be settled or prevented.

A. E. VORKELLER, THEO. DREIBUSH,
P. J. MINSTER, CHAS. J. LINDGREN,
JOHN PEARSON.
Arbitration Committee of the U. O. A. B. and S. M. Association
GEO. C. PRUSSING, WM. O'BRIEN,
JOS. DOWNEY, CHAS. W. GUIDELE,
GEORGE TAPPER,
Arbitration Committee for Master Masons' and Builders' Association.
Umpire, M. F. TULEY."

The contractors have struck out of the title of their association the word "master," as being unsavory.*

What has been done here will be done elsewhere. Capitalists and laborers will be drawn together by self-interest, and the interests of one will gradually become the interest of the other. Through such comprehensive combinations, the parties thereto becoming more intimate as time goes, circumstances change and civilization advances, the combined units will contribute to the further establishment of an equitable distribution of the wealth which they cooperatively produce. Gradually all self-employers will be driven into the ranks of employers or employes. Employers will absorb those self-employers, capable of entering their organizations, and employes will absorb those, who, having parted with the means of self-employment, through choice or compulsion, become employes.

Each and every industry—capitalists seeking their own interests, having fully combined; laborers seeking their own interests, having fully combined—will become the arena of severe conflicts, until,

*Taken from John Swinton's Paper, July 24, '87.

after the manner of the Chicago employers and employes, they become wise and tractable enough to pool their issues and make an equitable co-operative distribution of the products, perquisites and pay accumulated by joint effort. Conflicts between laborers combined, and capitalists combined, which lead up to the final conflict and terminate in their union, are unavoidable except through the exercise of that knowledge and probity which as yet neither party possesses. They are, however, in the direct line of an orderly evolution, as are the ultimate combinations to which they inevitably lead.

Were all consumers producers, or were the producers connected with the different industries, co-ordinated and harmonized under a single purpose and a common control, industrial conflict and further combinations, would necessarily end with the union of capitalists and laborers. But under the promptings and machineries of private enterprise, each industry is interested in its own promotion, and each regards the nation of consumers as its lawful and appropriate victim of predation. Each industry on its own account presses consumers for the highest prices, and consumers are placed in a constant state of defense against the exactions of the several detachments of producers. The reader will easily understand also, how much more powerful and effective are likely to be the demands of producers, when capitalists and laborers are combined, than when they are wasting their strength in contentions with each other. In one sentence, when the capitalists and laborers, engaged in producing a given commodity, are fully combined, nationally or internationally, consumers must deal with a complete monopoly; must pay prices demanded, cease to consume, or contend for lower prices through the most effective measures.

CAPITALIST, LABORER AND CONSUMER COMBINED.

At this stage of combination, consumers of a given commodity nationalized, and producers, few in number but well entrenched and provisioned, the industrial conflict for the results of production, will assume massive and final proportions. No grander scene, in the progress of industrial evolution can be conceived.

Producers having brought commodities to the perfection of use from the soil, through manufacture, by labor—mental and manual—are in legal possession, and make their demands for compensation with a declaration of economic power and a consciousness of legal rectitude.

On the other hand, consumers—constituting the entire people—make and unmake constitutions and enact and repeal the laws which have given economic opportunity and legal standing and protection to producers. Once incited to action, their power through the ballot, is irresistible. Exclusive opportunities of self-employment

and employment of large masses of men—unlimited access to the sources of wealth and appliances of production—to land, raw material, provisions furnished by nature, and tools, machinery and money created by society—have been derived, by detachments of producers, through concessions made to them by consumers; concessions revokable by the same power that made them. Can any one doubt the result of a decisive conflict between a single detachment of producers on one hand, and a nation of consumers on the other? the former entrenched in constitutions and laws which the latter are able to overthrow when they will, by a simple use of the ballot?

No such decisive action has hitherto been recorded, because, as yet, the combination of producers—of capitalists and laborers—is incomplete and inefficient. They have not, as yet, brought that force to bear, which, when combined, they will be able, and without doubt, only too willing to concentrate on consumers. Nevertheless, the capitalistic branch of producers alone through their intelligence and power of rapid concentration, maintain even now, an efficient and continuous guerilla warfare on consumers; a warfare which incites them to incessant remonstrance and constant counter-attack and defense. This scattered fusilade, while it goes on to no magnificent proportions, tends to induce by slower processes, results similar to those that must inevitably follow a massed and decisive conflict between forces so combined; such conflicts as, on a smaller scale, are of frequent occurrence between capitalists and laborers. By degrees consumers, who proverbially suffer the exactions of producers with the patience of an ass, will, nevertheless, be repeatedly aroused thereby to renewed, effective and extreme action, in defense of the right to consume at moderate prices.

Three or four modes of action are open to them; first, personal protest and public opinion; second, the boycott or declination to buy; third, inspection and limitation of prices attainable through political action and enforced by statute law, and fourth, reassumption, through purchase or condemnation, of the material and means of production and the establishment of public enterprise for the common good. With the fourth and final measure we have here to do.

The proposition to take away from producers materials and means of production which they have used without regard to the interests of consumers and the establishment thereon of public enterprise for the common good, is a proposition of the most effective nature; effective as a continued menace to producers that they must moderate their demands or lose their privileges and rights; effective, if executed, in carrying prices through public management, to the equitable line of *cost*, and especially effective, that it must bring producers and consumers into one common combination where their respective

interests are fully conserved, and in which co-operative distribution is placed side by side with co-operative production. It is the final resort of conservative slow-going consumers; but when undertaken, it strikes the leaders of production from the responsible management of industry, and permanently eliminates their power to advance prices upon defenseless masses. Consumers, by assuming the distinct responsibility of providing for themselves, advance into a condition of industrial liberty realized by the single individual—personification of complete liberty—who isolatedly produces what he consumes, and consumes only what he produces.

Men prate of industrial liberty,* and millions long for it as they long for peace, rest, heaven. It is possible for all only under two conditions; first, before society has taken the first step toward organization; and second, when and after, society being completely organized, industrial affairs have passed from individual or private control, to collective or public management. In the first condition it is independent liberty; in the second, it is interdependent liberty. When each citizen, having secured, with all other citizens, a proportional interest in all production, becomes, through society—like the primitive, isolated individual—a producer of what he consumes and consumes only what he produces, he becomes industrially as free, as if, in some isolated portion of the globe, he produced alone what he consumed and consumed only what he produced. Society, thoroughly and justly organized, can alone guarantee permanent liberty to the individual; but, to that end, what it guarantees to one, it must guarantee to all. Through an orderly evolution, liberty of each consumer is attainable; liberty and social interdependence, richer and more complete than is liberty and isolated independence, as organized society is richer and more potent than the individual.

The power of consumers, when brought into action is equal to the achievement of results so desirable, but the too general ignorance and inertia of consumers leaves them to the freebooting tendency of producers. When a majority of the people become, as regards industrial affairs, more intelligent and active, and less indifferent to the abuses continually put upon them, consumption being already, production will become rapidly, nationalized. As the primitive points of ossification in growing bone, approximate each other and finally coalesce, separate detachments of producers may yet follow a similar process.

*And some talk of industrial independence: It is a pure myth, maintainable in no stage or condition of society. Place a man alone in the Garden of Eden, he may then become independent of other men, but not of nature, the planet, the solar system, God. Place a man so far above other men that he may ride on their heads and live freely from their labor, and he becomes proximately independent—but his independence is acheived by destroying the liberty of others. This proximate independence is what a few of the citizens of America now exercise,—what all are selfishly striving to attain but never will attain—while the balance are proportionally enslaved. A just inter-dependent liberty is the highest attainable form of liberty in any phase or stage of national growth.

The absorption of productive detachments through the political action of consumers involves the union of capitalists, laborers and consumers in a single—national—combination under the elected—government—control. It is to this final combination that the lower forces are carrying the evolution of industry; with what rapidity is to be determined by capitalistic leaders of the productive forces. The rapid organization and incessant aggressions of producers constitute the effective stimulus which is calculated to arouse consumers to defensive activity and the application of the most effective measures of protection. Withholding the goad, will lure them into security and delay their action.

On the contrary, as to the cost of commodities and services, consumers are becoming more intelligent, and the success of experiments already undertaken, tending to relieve them of exhorbitant prices will give additional momentum to final action for permanent relief. These experiments, combining industrial leaders, laborers and consumers in a national pool, with its measures of relief outlined and enforced by law, are embodied in the term public enterprise. In all civilized nations a number of industries have been originated, owned and controled by consumers, or having originated in private enterprise, have been taken from the hands of private producers and managed by government in the interests of consumers. Consumers in Australia at first pooled the interest of capitalists, laborers and consumers, in telegraph and railway facilities, and though the cost of construction may have exceeded the necessary cost, the disbursements have gone to the general community, and transportation and transmission come to all consumers at cost. The profits are not building up a monied aristocracy, as is the case in America; a public consideration in itself of great moment.

The German Empire, in addition to purchase and management of telegraphs and railways, has entered the arena of insurance, with the satisfaction that the price of insurance comes to patrons at cost, and the business does not make a few men rich at expense of community.

English patrons of the telegraph lines induced government to acquire and take charge of the system; and telegraphic facilities there are rendered at exceedingly low prices.

In America, owing to the opportunities yet open for settlement on the soil, and easy escape from exactions of producing capitalists and laborers, consumers have not yet been goaded to assume the responsibility of production to the extent noted in other countries; but here transportation of letters, magazines and books, and in a small way, of all kinds of goods, as well as exchange, have been undertaken by government. The productive forces of the nation are fully employed in these enterprises, but without the managerial exactions

which, anterior to establishment of the Post-Office Department, were extortionate. What these services cost, the people pay; but to the government, no profit, interest or rent. The education of children and youth in its various forms and phases, is largely the work of public enterprise, undertaken, among other reasons, to increase the efficiency and decrease the price of educational facilities. As large profits on educational enterprise would tend to promote and extend ignorance and vice, the work could not be left to the money-getting genius of private enterprise. Here and there in the important matters of water and light, producers have so crowded consumers for high prices and large profits, that the latter have been forced in self-defense, to take on themselves, through municipal corporations, the responsibility and cost of supply to their own wants*. In many communities consumers are pondering the proposition of bringing themselves relief from the extortions of producers. While inspection and limitation promises much and has done something towards forcing productive detachments to moderate prices, so expert are the latter in evading laws of limitation, that consumers, for their neglected interests, are rapidly crystalizing to the thought that steps must be taken, sooner or later, to place important industries under government ownership and control. New consolidations of producers, increasing avoidance of competitive prices and unscrupulous evasion of laws of inspection and limitation are inciting stimuli to decisive, radical and sweeping action. To this end in the United States and other civilized countries, a new political party† is springing into life and power; a party which makes an open and unqualified demand, as regards important industries, for the final combination of producers and consumers through public enterprise under government control; ultimate combinations, especially on telegraphic facilities and railway transportation. Inasmuch as the net profit of these two industries draws from consumers in high prices, an annual sum, equal to the gross revenue of the government, the abatement of this monstrous taxation to that extent, will be recognized as constituting no inconsiderable boon to consumers.

Thus under the continued pressure for large profits and high prices by capitalists, for high wages and short hours by laborers and for cost and low prices by consumers, the final combination of both

*Supply of one's wants by one's own enterprise and labor, brings commodity to him at cost and industrial liberty. So with a community or nation.

†Labor party combinaitons are in every way an uncertain factor; first, as regards their power; second, as regards the results on consumers. Following self-interest, if they combine with capitalists and demand high wages in addition to the profits of capitalists, they increase price to consumess. But as yet, for the most part, capitalists and laborers maintain a strong antagonism—the influence of laborers—especially political influence—goes with consumers for low prices. The Labor party of the United States is therefore a party which all consumers of telegraphic and transportation services (and who is not) will, if they respond to the impulse of intelligent self-interest, encourage and support.

producers and consumers, under the national pool, is taking form and moving forward; and with this advance, it is hardly necessary to assure the reader, equitable co-operative distribution is assuming place and power in the economic temple, side by side with production, which has so long been co-operative. He knows that under equitable conditions, so established, every citizen, regardless of station or condition, must receive for his dollar the same amount of commodity or service, that every other citizen, under the same terms receives; that government—producers and consumers combined—carries his letter, or package of goods, or bill of exchange, supplies his children with tuition and books, furnishes him with water and gas, and would if it were empowered, transmit his telegrams and transport himself and his goods, not only at the lowest prices possible, but at the same price that similar services are performed for, and similar commodities supplied to, other citizens; he knows by means of a final combination of producers and consumers, through public enterprise, conducted for the public good by the instrument of public affairs—government—his industrial liberty and equality as a man with other men, must receive a full recognition and an effective enforcement; and that, freed from the vampirism of private enterprise, he must acquire the liberty of interdependence—industrial, civil, political and religious, one in all and all in one—to which, hitherto, he has been a stranger.

That noble and illustrious cohort of humanitarians, and the advanced guards who have pioneered the economic thought of the world, will, also in this massive and co-operative combination of producers and consumers secure the results of their labors, and realize their well-supported theories. Mill, Wallace and George will see the pernicious consequences of land ownership—speculation and rent—gradually melt away as snow-banks in the sun; Proudhon will find the robbery of profit practically eliminated; the long line of prophets and sages who, for aeons, have denounced interest and usury as an economic atrocity, will note the close of its covetous career, and the beginning of that better time when the Brotherhood of man and the Fatherhood of God shall become established, may be descried in the near and looming future.

THE RELIGIO-SOCIAL FORCES.

CHAPTER VIII. SECTION II.

What the individual, lower and selfish forces, acting within man and under the restraint of law, will accomplish toward his elevation and the betterment of his physical conditions is the difficult problem of industrial evolution.

Have we not seen, however, that they are drifting the nation into industrial organizations whose working must moderate or eliminate many of the current miseries of humanity, and make life to all worth the living? Is it not clear that self-interest will demand the more or less complete combination of capitalists on one hand, and of laborers on the other, and that consumers, in self-defense, will be forced to combine for the sake of moderating or destroying the misused powers of producers? Is it not clear, providing capitalists and laborers, constituting the productive force, pool their issues and press with grievous power, as combination will enable them to do, on the rights of consumers, that the latter will be driven to demand the final, most beneficent and resultful combination, including, under collective control, capitalists, laborers and consumers, in a single national poo? Is it not clear that through these successive and accumulative combinations, commencing with the partnership of two and terminating in the partnership of a nation, equitable, co-operative distribution, the final economic desideratum, derives origin and attains national development?

Nor does it matter if far-seeing men of the productive class, to check the drift of industrial affairs from private to public enterprise, shall progressively mitigate extortionate charges for commodities and services upon the body of consumers; in the moderation of prices toward, or to the level of cost, will, nevertheless mark the imperceptible but gradual establishment of co-operative distribution.

But all organic growths are effected through joint action of the lower and upper forces; and human structures, individual or social, can constitute no exception to the universal law.

While in the human mind, the end sought to be secured through operation of the lower forces—disregarding corresponding interests of others—is individual gain, the end sought to be promoted through the upper or religio-social forces, is the benefit of all, irrespective of birth or condition.

The lower forces, deriving origin from the individual, confine their operations partially and to the particular; while the upper forces, emanating from the expanding entity called society and the infinite

entity called God, operate in the general, and through the general, descend impartially upon the particular. The former would draw all to the single individual; the latter, when in unobstructed operation, would distribute to each and all alike. God pours heat, sunshine and rain on the just and on the unjust, and society, as it develops from the characteristics of the individual from which it originated, and moves forward to become the embodied expression of Infinite Love —*vox popnli vox dei*—will confer the powers and benefits it commands, in an equally impartial manner.

However, it is in the nature of vast engineries, to operate with impartiality on infinitesmal bodies. How could the earth be flooded with rain unless it fell impartially on just and unjust, contiguously inhabiting a given surface? The appliances for discriminating apportionment are evidently wanting on the infinite plane; and as society advances to its fullest and noblest development, discrimination and privilege will progressively give way to the strictest impartiality and the most rational equality.

Injustice is a concomitant of individualism; justice both a necessity and result of organization and collective action. If we continue to grow, the sense and power of justice will increase.

It is this impartial equity—equal distribution to all men of the sources of wealth and appliances of production, enabling every man separately, to produce what he consumes—or, what is equivalent or better, co-operative distribution of useful wealth which has been co-operatively produced, to the introduction of which, on the industrial plane, the religio-social forces, by virtue of their vastness and extension, are irrevocably committed; the same equity, it will be noted, to which the lower, narrow and individual forces are also carrying, unconsciously to the principal actors, industrial evolution.

But in another finer, nobler sense, the upper forces are co-operating with the lower to aid and hasten the culminating development. In all souls—in the soul of individual man, in the Soul of aggregated society, in the Soul of the Universe—perennially moves and billows a sea of sympathy warmly pulsating with affection and love, and tenderly bearing on its bosom the sorrows and miseries of the distressed. In some souls it is an occasional ghastly glimmer; in others a perpetually burning ember; in all susceptible of being lighted to an instantaneous glow, carrying gladness where but glooms sit in moody silence. It assumes as to the affections, a relation similar to that which imagination maintains to the intellect; as imagination wings its flights in advance of philosophy and science, sympathy is the *avant coureur* of kindness and love. It is an *extempore* substitute for slow-footed justice; it distributes *impromptu*, perhaps indiscreetly, goods and benefits which considerate justice would distribute impartially. It is a power which compels men, sometimes, to do through kind-

ly impulse, somewhat of those things which they ought always to have done, through principle and law. It incites the disinterested to interest themselves in the plaint and woes of the despoiled, and it prompts others, interested in extending and enforcing the cruel tendencies of present industrial conditions, to pause in their career of extortion, modify their demands and give vent to their benevolence and distribution to their wealth. It suffers with the suffering, joys with the joyous and fuses humanity into one man, with common interests, hopes and fears.

Toward that mutual regard and kindly consideration, enjoined by the Man of Nazareth, sympathy incessantly contributes. The rigid demands of custom, the cruel exactitudes of business maxims and the inflexible arbitraments of law, it softens and bends to the capacities and powers of man. It triumphs through mitigations of demand and contributions of courage and coin. Like love, it laughs at locksmiths and the obdurate obstructions which separate man from man, class from class and nation from nation. It buoys the hopes of classes oppressed ; it stimulates the courage and energies of nations down-trodden. To the peoples of Europe, struggling for political, civil and industrial rights, it has carried from America a power and prestige of indispensible import.

The operation of human laws, which have never reached, but have continued to approximate the standard of inflexible justice, it has tenderly blended and temporarily adjusted to the operations of higher ideal laws. Had we justice we would need but little sympathy or mitigation ; but in the movements of humanity to better conditions, the demands of human law have so chasmed the march with cruelty and injustice, that human sympathy alone, could bridge and render it passable.

Directly or indirectly this imponderable but substantial principle, intermingling its incessant operations with kindness, affection and love, imparts direction and force to all movements, rapidly culminating in a more equitable distribution of the world's wealth to the world's workers. It has inspired the world-wide, indispensable operations of organized charity—which returns to the poor somewhat of whathas, by indirect methods, been taken from them ; and has contributed to the introduction and enactment of bankrupt laws—which constitute an open and recorded admission that frequent failure, in an industrial arena where power rather than justice bears rule, is not only unavoidable but equitable.

It is these upper forces, which, untrammeled by human institutions and human laws, operating from heart to heart, from hand to hand, disregarding the sordid calculations of self-interest, overthrowing distinctions of color, class and caste, carry rest, peace and comfort to the destraught and despoiled; it is these forces, which, during

intervals of fierce industrial contention and on fields of conflict, move men to consideration of the rights and interests of their fellows and advance those principles that tend to establish industrial justice among both producers and consumers; it is these forces which soften the greed-stricken heart of the capitalist, and cause him to concede to the call for higher wages by laborers, and lower prices by consumers, which inspire the laborer to consider the nights of toil and days of anxiety spent by the employer in bringing success to his enterprises against all odds of competition and contingency; which prompt consumers to pay without reluctance such prices as will give both capitalist and laborer a fair remuneration for a fair commodity; it is these forces which suspend and suppress the self-interest of capitalists, laborers and consumers, and bring them together, around that common center, that just equilibrium of price toward which mutual consideration moves the whole community: viz. *cost* of commodity with equitable compensation for labor.

To the same status or condition then, the lower forces guided by a selfish intelligence, and the upper forces determined by benevolent impulse and intuition, are bearing on their swelling tides, the evolution of industry; bearing it to the displacement of competitive and the progressive establishment, instead, of co-operative distribution, as an indispensible principle, side by side with co-operative production.

With the determining forces bearing to the same point, and toward similar conditions, can the resultant be doubtful?